UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended: December 31 , 2023

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File No. 001-40849

Mawson Infrastructure Group Inc.
(Exact name of registrant as specified in its charter)

Delaware	88-0445167
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
950 Railroad Avenue , Midland , Pennsylvania	15059
(Address of principal executive offices)	(Zip code)

Registrant's telephone number, including area code: 1-412-515-0896

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 $0.001 per share	MIGI	The Nasdaq Stock Market LLC

Securities Registered pursuant to Section 12(g) of the Exchange Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer: ☐
Non-accelerated filer : ☒
Accelerated filer: ☐
Smaller reporting company: ☒
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 ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant was approximately $ 28.14 million computed by reference to the price at which the common equity was last sold, as of the last business day of the registrant's most recently completed second fiscal quarter.

As of March 26, 2024, there were 16,644,711 shares of the registrant's Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE: Portions of the registrant's definitive proxy statement to be delivered to stockholders in connection with its Annual Stockholders' Meeting to be held in 2024 are incorporated by reference into Part III of this Annual Report on Form 10-K. Only those portions of the definitive proxy statement that are specifically incorporated by reference herein shall constitute a part of this Annual Report on Form 10-K. Such proxy statement will be filed with the Securities and Exchange Commission within 120 days of the registrant's fiscal year ended December 31, 2023.

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INTRODUCTION

Throughout this Annual Report on Form 10-K (this "Annual Report"), unless otherwise designated, the terms "we", "us", "our", the "Company", "Mawson" and "our company" refer to Mawson Infrastructure Group Inc., a Delaware corporation headquartered in the United States of America, and its consolidated subsidiaries (unless otherwise indicated).

All dollar amounts refer to U.S. dollars unless otherwise indicated.

Statements made in this Annual Report concerning the contents of any contract, agreement or other document are summaries of such contracts, agreements or documents and are not complete descriptions of all of their terms. If we filed any of these documents as an exhibit to this Annual Report or to any registration statement or annual report that we previously filed, you may read the document itself for a complete description of its terms, and the summary included herein is qualified by reference to the full text of the document which is incorporated by reference into this Annual Report.

Unless otherwise indicated, information contained in this Annual Report concerning our industry and the markets in which we operate, including our competitive position and market opportunity, is based on information from our own management estimates and research, as well as from industry and general publications and research, surveys and studies conducted by third parties. Management estimates are derived from publicly available information, our knowledge of our industry and assumptions based on such information and knowledge, which we believe to be reasonable. Our management estimates have not been verified by any independent source, and we have not independently verified any third-party information. In addition, assumptions and estimates of our and our industry's future performance are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in Item 1A "Risk Factors" below.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking statements, about our expectations, beliefs or intentions regarding, among other things, our product development efforts, business, financial condition, results of operations, strategies or prospects. Forward-looking statements can be identified by the use of forward-looking words such as "believe", "expect", "intend", "plan", "may", "should", "could" or "anticipate" or their negatives or other variations of these words or other comparable words or by the fact that these statements do not relate strictly to historical or current matters. These forward-looking statements may be included in, but are not limited to, various filings made by us with the United States Securities and Exchange Commission (the "SEC"), press releases or oral statements made by or with the approval of one of our authorized executive officers. Forward-looking statements relate to anticipated or expected events, activities, trends or results as of the date they are made. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties that could cause our actual results to differ materially from any future results expressed or implied by the forward-looking statements. Many factors could cause our actual activities or results to differ materially from the

activities and results anticipated in forward-looking statements, including, but not limited to, the factors summarized below.

This Annual Report identifies important factors which could cause our actual results to differ materially from those indicated by the forward-looking statements, particularly those set forth under Item 1A - "RISK FACTORS" below. The risk factors included in this Annual Report are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Given these uncertainties, you are cautioned not to place undue reliance on such forward-looking statements. The following important factors, among others, could affect future results and events, causing those results and events to differ materially from those expressed or implied in our forward-looking statements:

- continued evolution and uncertainty related to growth in blockchain and bitcoin usage;
- high volatility in bitcoin and other digital assets' prices and in value attributable to our business;
- our need to, and difficulty in, raising additional debt or equity capital and the availability of financing opportunities;
- failure to maintain required compliance to remain eligible for the most cost-effective forms of raising additional equity capital;
- downturns in the cryptocurrency industry;
- inflation;
- increased interest rates;
- the inability to procure needed hardware;
- the failure or breakdown of mining equipment, or internet connection failure;
- access to reliable and reasonably priced electricity sources;
- our reliance on key management personnel and employees;
- cyber-security threats;

- operational, maintenance, repair, safety and construction risks;
- our ability to obtain proper insurance;
- banks and other financial institutions ceasing to provide services to our industry;
- changes to the Bitcoin network's protocols and software;
- the decrease in the incentive or increased difficulty to mine Bitcoin;
- the increase of transaction fees related to digital assets:
- the fraud or security failures of large digital asset exchanges;
- future digital asset, technological and digital currency development;
- our ability to develop and execute on our business strategy and plans;
- the regulation and taxation of digital assets like Bitcoin;
- our ability to timely and effectively implement controls and procedures required by Section 404 of the Sarbanes-Oxley Act of 2002; and
- material litigation, investigations, or enforcement actions, including by regulators and governmental authorities.

All forward-looking statements attributable to us or persons acting on our behalf speak only as of the date of this Annual Report and are expressly qualified in their entirety by the cautionary statements included in this Annual Report. We undertake no obligation to update or revise forward-looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events. In evaluating forward-looking statements, you should consider these risks and uncertainties.

PART I

ITEM 1. BUSINESS.

Overview

General

Mawson Infrastructure Group Inc. ("Mawson," the "Company," "we," "us," and "our") is a corporation incorporated in Delaware in 2012. Shares of Mawson's common stock, par value $0.001 per share ("Common Stock") have been listed on The Nasdaq Capital Market since September 29, 2021. Mawson was previously known as Wize Pharma Inc, and changed its name on March 17, 2021, after the acquisition of Mawson Infrastructure Group Pty Ltd (then known as Cosmos Capital Limited), a digital infrastructure provider.

Mawson is a 'Digital Infrastructure' Company, which operates (through its subsidiaries) data centers for the generation of Bitcoin cryptocurrency (also known as "Bitcoin mining"), in the United States. Because Mawson takes part in Bitcoin mining, it is often referred to as a Bitcoin miner. The

Company has 3 primary businesses – digital currency or Bitcoin self-mining, customer co-location and related services, and energy markets.

As of the date of this Annual Report, we operate two data center facilities in Pennsylvania, USA, and have rights to develop other sites of various sizes in Ohio.

We seek to power our operations and facilities with renewable or sustainable power to further support our sustainability priorities.

We may also operate in related and adjacent businesses, including transacting in new and used crypto-currency mining and modular data centers ("MDCs") equipment on a periodic basis, subject to prevailing market conditions and any surplus we may be experiencing.

Our Products and Services

Mawson's business

Mawson has three main businesses through which it generates its revenue:

- Bitcoin self-mining;
- Customer co-location services; and
- Energy markets program.

Bitcoin Self-Mining

Bitcoin mining involves the use of specialized computers ("Miners") to solve algorithmic problems in order to update the distributed or decentralized ledger of Bitcoin transactions securely. In return for providing this security to the Bitcoin ledger, Bitcoin miners are rewarded with Bitcoin. The decentralized ledger is the key innovation of the Bitcoin protocol. It is a public ledger that can be viewed by anyone with specialist knowledge and is typically kept by more than one entity. An example of a centralized ledger would be a ledger of bank account transactions kept by a financial institution.

Miners perform computational operations to solve specific computing problems in support of the Bitcoin network. The computing power is called "hash rate" and is measured in "hashes per second." A "hash" is the computation run by the mining hardware in support of the blockchain security; therefore, a Miner's "hash rate" refers to the rate at which it is capable of solving such computations. The original equipment used for mining Bitcoin utilized the Central Processing Unit ("CPU") of a computer to mine various forms of cryptocurrency. Due to performance limitations and growing competition to mine Bitcoin, CPU mining was rapidly replaced by the Graphics Processing Unit ("GPU"), which was in turn replaced by Application-Specific Integrated Circuit ("ASIC") Miners. These ASIC Miners are designed specifically for the task of solving computing problems in support of the Bitcoin network, which maximizes the rate of hashing operations.

Hash rate is a measure of the processing speed of a Miner. Mawson's hash rate is the sum total of its Miners' hash rates. Similarly, the sum total of all Miners actively trying to solve a block in the Bitcoin network is known as the "Network Hash Rate". If Mawson's proportion of the Network Hash Rate grows, then Mawson's chance of solving a block on the Bitcoin's blockchain should increase and, therefore, Mawson's chance of earning a Bitcoin reward should increase.

If more competitors add hash rate to the Network Hash Rate, then Mawson must also increase its own hash rate if it wants to ensure that the amount of rewards it receives over time remains the same or similar. Mawson can increase its hash rate in a number of ways, including by acquiring and operating more Miners, ensuring that as many of its Miners are online and operational at all times, and by increasing the hashing capability of its Miners (for example, by providing optimal operating conditions and maintenance). By operating more Miners, Mawson will also most likely increase the amount of power it requires to operate the Miners, thus increasing its costs. The Network Hash Rate can also decline from time to time, which means that Mawson's hash rate relative to the Network Hash Rate would increase (if Mawson continued to deploy the same amount of hash rate), increasing the chance that Mawson will be rewarded with Bitcoin.

As Mawson increases its hash rate it increases its chance of solving a particular problem and earning the right to place a block on the blockchain and at the same time earning a Bitcoin reward, as well as any potential transaction fee. As the global network has modernized and become more efficient, the hash rate required to regularly solve for a block (that is, the 'network difficulty') has increased significantly, leading to Bitcoin miners acquiring larger fleets of more efficient Miners. The expanding fleets of Miners generally require more electrical power. Increased use of electrical power increases the cost of solving a block and, therefore, the relative cost of mining for Bitcoin. This increase in network difficulty also means that it can become harder for individual mining operations to find a block and earning any reward or transaction fees for their mining efforts. Individual Bitcoin Miners risk going for extended periods of time without earning any Bitcoin rewards.

To facilitate the earning of Bitcoin rewards, most miners, including Mawson, will join a 'mining pool' (that is a group of other miners). A large group of miners with greater hashing power is more likely to earn a cryptocurrency reward. The members of the mining pool then receive Bitcoin rewards on a pro rata basis based on total hashing capacity they contributed to the mining pool. This is intended to reduce the variance of our Bitcoin rewards, and therefore revenue, generation.

As of the date of this Annual Report, Mawson operates its own miners in two data center facilities located in Midland and Bellefonte Pennsylvania, USA, that have been leased on long-term arrangements. The Midland site currently has 100MW of capacity available for both self-mining and co-location services and is capable of further development. The Bellefonte site currently has 8.8MW of capacity that is used entirely for self-mining and is also capable of expansion. As noted below, Mawson's lease for property in Sharon, Pennsylvania was terminated and Mawson has moved completely out of the facility, which was a non-operating site.

Part of Mawson's strategy is to identify and secure new development sites for future data center facilities which meet our investment criteria. Before committing to a site, Mawson considers a range of investment criteria, including factors such as climate, community acceptance of Bitcoin mining operations, secure tenure through long term leases, or the ability to acquire sites, the existence of energy demand response programs which Mawson can participate in, the ability to secure low cost, stable, low carbon or carbon-neutral sustainable power, labor and skills availability, local taxation regimes, and proximity to Mawson's existing supply chains and operations.

We generate revenue through the mining of Bitcoin and then selling the Bitcoin that we mine. During the year ended December 31, 2023, we

mined 741.33 Bitcoin and sold 741.33 Bitcoin resulting in revenues totaling $21.59 million.

Mawson at this time typically liquidates any mined Bitcoin within a reasonable time after receipt. Mawson does not hold any material amount of Bitcoin on its balance sheet. Mawson's strategy is to operate as a mining operation, rather than a cryptocurrency investment company. This means that Mawson regularly liquidates its Bitcoin holdings for traditional fiat currency. Mawson has established relationships with several digital currency exchanges through which Mawson sells Bitcoin on a regular basis.

Customer Co-location Services

Mawson offers other businesses and customers in the digital assets industry the opportunity to have their Miners and other equipment located within our facilities. Mawson generates revenue from these customers for their use of our co-location services and facilities. The customer typically keeps all Bitcoin mined in this manner, while paying Mawson for providing co-location services. This kind of arrangement is known as 'co-location' and can be customized for each customer's situation and their and Mawson's strategy and allows Mawson to supplement or diversify its income streams, while adjusting its risk profile. For example, customers may agree to be charged upfront infrastructure fees, minimum fees, and maintenance fees. Such fees can provide upfront benefits, which helps decrease risk in the business, and potentially enables Mawson to have different types of revenue streams. Minimum fees can help generate revenue during periods when our Bitcoin self-mining may not be as profitable (for example, due to high energy prices, high network difficulty, and low Bitcoin prices). Counter-party risk is a key issue when entering into co-location arrangements with customers, and Mawson employs a number of mitigation strategies to decrease the risks arising from counter-parties, including requiring deposits and charging upfront fees.

Energy Markets Program

Mawson has developed an Energy Markets Program. To power all the miners at its facilities, Mawson uses substantial amounts of energy. This means that energy is a material input cost for Mawson's operations. If energy prices are higher, then the cost of mining may be too high to make Bitcoin mining economical. This is especially true at times when Bitcoin prices are low, and network difficulty is high. Mawson uses proprietary financial models, which it is constantly refining, that highlight to Mawson when participation in the Energy Markets Program should create greater value than operating is self-mining. Mawson then decides whether to mine or to curtail its energy usage, by switching off its miners.

If Mawson decides to curtail its energy use, then during these periods Mawson's Bitcoin revenue may be significantly reduced but should be supplemented by the payments provided by the Energy Markets Program revenue for curtailment activity. In addition to energy hedges and derivatives that Mawson may be able to purchase, Mawson participates in demand response programs. Demand response programs leverage the timely reduction of energy use by our facilities to benefit other power customers. These demand response programs may compensate Mawson for periods of curtailment and can generate additional revenues for Mawson during times of higher energy prices.

Further, because Mawson can be flexible in the way it operates its Bitcoin mining data centers and how it uses energy, Mawson can contribute to electricity grid stability by providing demand for energy producers when aggregate power demand is low, and then lowering its own usage when aggregate power demand is high.

Factors Affecting Profitability of Bitcoin Self-Mining business

The main factors affecting Mawson's self-mining profitability are (in no particular order):

- *The market price of Bitcoin;*
- *The reward Mawson earns for its mining operations;*
- *Changes in the Network Hash Rate (as described above);*
- *Type of hardware, such as types of Miners, used and deployed;*
- *The cost of land, or leases or other operational costs; and*
- *The cost of power.*

There is a risk that a change in any of these factors could have a detrimental effect on Mawson's business. While Mawson takes steps to mitigate these risks, they cannot be avoided altogether. In particular, the market price of Bitcoin can be volatile, sometimes being subject to major changes in value in short time periods. In addition, the reward for Bitcoin mining is scheduled to halve approximately every 4 years. This phenomenon, which is a feature of the Bitcoin protocol, is known as 'halving'. The Bitcoin blockchain has undergone halving three times since its inception, on November 28, 2012, July 9, 2016, and May 11, 2020. The original reward was 50 Bitcoin per block, but after the last halving the reward was reduced to its current level of 6.25 Bitcoin per block. The next halving for the Bitcoin blockchain is anticipated to occur in or around April 2024. This process will re-occur until the total amount of Bitcoin currency rewards issued reaches 21 million and the theoretical supply of new Bitcoin is exhausted, which is expected to occur in or around 2140. The value of Bitcoin has historically risen after each halving event, due to the reduced supply of Bitcoin, however, there can be no guarantee that this will occur again in the future, or the timing known if such an event were to happen.

Factors Affecting Profitability of Customer Co-location Services business

The main factors affecting Mawson's co-location profitability are (in no particular order):

- *Reliance on a large, single co-location services customer;*
- *Provide services at a profitable rate;*
- *Ability to acquire competitively priced power ; and*
- *Hire and retain employees needed to provide services and other functions.*

Mawson has taken a number of steps to attempt to mitigate the risks inherent to the co-locations services business. The Company currently has three co-location services customers that it believes should help reduce the risk of exposure to a single customer. Additionally, Mawson has service agreements in place with its customers that it believes provides the terms and protections to drive the profitability of the co-location business, Mawson also has power agreements in the Pennsylvania-New Jersey-Maryland Interconnection ("PJM") markets that provide it the competitive pricing needed for its customers. The PJM Energy Market procures electricity to meet consumers' demands both in real time and in the near term. Mawson works with the communities in which it is involved to attract and retain the employees needed to run this business. While none of these are guarantees, Mawson believes it has put necessary measures in place to minimize the risk associated with its co-location services business.

Factors Affecting Profitability of Energy markets business

The main factors affecting Mawson's Energy management profitability are (in no particular order):

- *Acquire appropriate hedge contracts;*
- *Access to power providers programs; and*
- *Regulatory or other changes.*

Mawson works closely with the PJM power providers and other power consultants to help ensure they stay up to date with the latest power provider programs. Mawson closely monitors the power markets and pricing in order to identify ways to maintain or enhance its profitability from potential opportunities. Mawson is in contact with various local, state and federal agencies to monitor changes in the regulatory environment that could potentially impact the energy management business.

Environment and Sustainability

Digital asset mining requires a large amount of computing power, which in turn requires a large amount of electricity. At Mawson we recognize the important role digital asset mining can play in supporting the energy grid and we seek to utilize and support renewable or sustainable energy sources. We hope to support the growth of further renewable or sustainable power into the grid. We also enter into arrangements where we may be compensated in certain circumstances if we curtail or reduce or cease our energy usage. Typically, this will occur when energy prices spike, and the mining of Bitcoin may become unprofitable. In this way we can provide stability to the energy grid by reducing our demand on renewable or sustainable energy at times of peak usage, or low supply, potentially reducing prices for other users.

Other products and services

Mawson will from time to time opportunistically sell hardware that it has acquired, whether used or unused, which is surplus to its requirements, or in order to fund newer and better equipment. Hardware that Mawson would typically sell includes miners, transformers and/or MDCs.

Suppliers

Mawson engages a range of suppliers for access to hardware and software required to mine Bitcoin, provide co-location services and for its energy markets program. This includes the manufacturers of the Miners, MDCs, and transformers. Mawson enters into Power Purchase Agreements ("PPA") with its power suppliers that set out the terms and duration of the supply or power. The Company currently has the following principal suppliers:

- Energy Harbor LLC
- Navitus LLC
- Jewel Acquisition LLC

Government Regulation

Government regulation of blockchain and cryptocurrency is being actively considered by the United States of America (both at the federal and state levels) and by non-US governments, and their agencies and regulatory bodies.

Regulations may substantially change in the future, and it is presently not possible to know how regulations will apply to our businesses, or when they will be effective. As the regulatory and legal environments evolve, we may become subject to new laws, further regulation by the SEC and other agencies, which may affect our mining and other activities. For additional discussion regarding the potential risks existing and future regulation pose to our business, see the Section entitled "Risk Factors" herein.

Co-location customers

Mawson has three co-location customers that in total represent approximately 82 MW and approximately 25,284 miners. One of the customers is a wholly owned subsidiary of Consensus Technology Group ("CTG") that currently uses approximately 70 MW and approximately 21,756 miners. Should something negative happen to this customer and or its relationship with Mawson, the Company could lose a significant amount of revenue that it may not be able be unable to replace in a timely fashion. Currently, market demand for co-location services outweighs supply and between finding new or with its other two co-location customers, Mawson believes that the Company could replace the customer's position.

Competition

The cryptocurrency industry, in particular Bitcoin mining, is dynamic and global. The Bitcoin mining network is made up of a variety of competitors, from individual 'sub-scale' hobbyists to large, publicly listed mining operations. We compete with the other publicly listed mining companies directly for the acquisition of new Miners and raising capital. Bitcoin miners, including Mawson, also compete with more traditional industries, for example, when obtaining the lowest cost, sustainable electricity, or access to sites with reliable sources of power. Many Bitcoin mining operations are not publicly operated, and therefore data is not readily available.

Publicly Listed companies operating comparable businesses include:

- Marathon Digital Holdings Inc.
- CleanSpark Inc.
- Riot Platforms, Inc.

- Bitfarms Ltd
- Cipher Mining Inc.
- Hut 8 Mining Corp.
- Core Scientific, Inc.
- Applied Digital Corp.
- Iris Energy Ltd.
- HIVE Blockchain Technologies, Inc.

- TeraWulf, Inc.
- Bit Digital Inc.
- Argo Blockchain plc
- Stronghold Digital Mining, Inc.
- Greenidge Generation Holdings Inc.
- Ionic fka Celsius

Human Capital

Our employees are critical to our success. As of March 1, 2024, we had 30 plus full time employees. We also use contractors where practical and further rely on the extensive expertise of our external advisers, including legal, audit, financial, IT and compliance consultants, who may be engaged on a time basis, or on a project basis.

Our future success has significant dependence on the performance and continued service of our management team and key employees. Our success and growth may be influenced by our ability to attract, retain and motivate qualified personnel. We compete for scarce qualified management and other personnel in a highly competitive workforce environment. Our competitors may offer higher compensation or better opportunities than we can. We may need to hire additional qualified personnel and any failure to attract, retain or motivate key personnel could adversely affect our business and operating results. Currently we have limited personnel in our organization to meet our organizational, operating and administrative demands.

ESG

Governments around the world have been introducing new energy policies and legislation in response to climate change and energy security.

Any legislative changes regarding climate change or energy security could add significant burden and costs to our business, including taxes, or other costs related to making our energy consumption more efficient and lower impact on the environment, environmental monitoring and reporting, and other costs to comply with such changes. Further, there could be reputational damage to our business caused by increased negative publicity surrounding cryptocurrency and the apparent effects on the environment. If power costs rise so high as to put certain industries at risk, legislators may intervene in energy markets to direct energy to certain industries. Price caps could be introduced which may have long-term effects on power prices. If fossil fuel projects are not allowed to proceed, then this may have an effect on power prices if sustainable or renewable energy is insufficient or unreliable.

Corporate Information

Our principal place of business is 950 Railroad Avenue, Midland, Pennsylvania 15059. Our contact email is info@mawsoninc.com, and our website is www.mawsoninc.com.

Shares of our Common Stock, par value $0.001 per share (“Common Stock”), have been listed on The Nasdaq Capital Market since September 29, 2021.

Available Information

Our investor relations website is available at www.mawsoninc.com. The information on, or that may be accessed from, our website is not a part of this Annual Report. Investors can find a range of information about us there. Available on this website, free of charge, are the reports that we file or furnish with the Securities and Exchange Commission (“SEC”), corporate governance information (including our Code of Business Conduct and Ethics) and select press releases and other relevant information.

ITEM 1A. RISK FACTORS.

RISK FACTORS

An investment in our securities involves a high degree of risk. You should consider carefully the following information about these risks, together with the other information contained in this Annual Report, including the matters addressed in the section entitled “CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS” beginning on page iii of this Annual Report, before making an investment decision. Our business, prospects, financial condition, and results of operations may be materially and adversely affected as a result of any of the following risks. The value of our securities could decline as a result of any of these risks. You could lose all or part of your investment in our securities. Some of the statements in “RISK FACTORS” are forward-looking statements. The following risk factors are not the only risk factors facing our company. Additional risks and uncertainties

not presently known to us or that we currently deem immaterial may also affect our business, prospects, financial condition, and results of operations and it is not possible to predict all risk factors, nor can we assess the impact of all factors on us or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in or implied by any forward-looking statements.

Summary of Risk Factors

Our business is subject to a number of risks, including risks that may adversely affect our business, financial condition, and results of operations. These risks are discussed more fully below and include, but are not limited to, risks related to:

Risks Relating to Our Business and Management

- our history of incurring losses;
- our need to, and difficulty in, raising additional capital and repossession of collateral securing current loans in default;
- the potential of being delisted from NASDAQ;
- downturns in the cryptocurrency industry;
- inflation;
- increased interest rates;
- the inability to procure needed hardware;
- the failure or breakdown of mining equipment;
- outages and limitations of internet connectivity;
- access to reliable and reasonably priced electricity sources;
- cyber-security threats;
- our ability to obtain proper insurance;
- the prices of digital assets;
- our reliance on a small number of key employees;
- our failure to effectively manage our growth including not growing or improving our current hashrate;
- the competitiveness of the cryptocurrency industry;
- global climate change and related environmental regulations;
- the potential cancellation or withdrawal of required operating and other permits and licenses; and
- banks and other financial institutions ceasing to provide services to people in our industry, whether through choice or due to their own insolvency or failure.

Risks Relating to Cryptocurrency Mining, Bitcoin Price and Technology

- changes to the Bitcoin network's protocols and software;
- the manipulation of the blockchain by malicious actors;
- failures of the Bitcoin network to be properly monitored and upgraded;
- the decrease in the incentive to mine Bitcoin;
- an increase in the network difficulty;
- the increase of transaction fees related to digital assets;
- the downward pressure on the price of Bitcoin created by firms selling their Bitcoin;
- political or economic crises or change;
- the fraud or security failures of large digital asset exchanges;
- the further development and acceptance of digital asset networks and other digital assets;
- future digital asset and digital currency development; and
- the development of quantum computing, and other new technologies.

Risks Relating to Laws, Regulatory Frameworks, and Legal Action

- regulatory changes and changes in interpretations of existing regulations, including for digital assets like Bitcoin, or Bitcoin mining itself (including the imposition of taxes, limits on mining (or power usage), or new licensing regimes);
- our ability to timely and effectively implement controls and procedures required by Section 404 of the Sarbanes-Oxley Act of 2002;

- future developments regarding the treatment of digital assets for U.S. federal income and foreign tax purposes, or other taxes on Bitcoin mining;

- regulatory intervention by governments impacting the right to mine, acquire, own, hold, sell, exchange or use Bitcoin or other cryptocurrencies;

- additional legislation or guidance may be issued by U.S. and non-U.S. governing bodies that may differ significantly from our practices or interpretation of the law, which could have unforeseen effects on our financial condition and results of operations, additional legislation or guidance may be issued by U.S. and non-U.S. governing bodies that may differ significantly from our practices or interpretation of the law, which could have unforeseen effects on our financial condition and results of operations;

- legislative, regulatory and litigation threats regarding climate change and energy conservation, legislative, regulatory and litigation threats regarding climate change and energy conservation;

- changes to laws regarding the operation of exchanges by third parties may make the business model unsustainable and may lead to an inability to exchange mined Bitcoin for fiat currency efficiently, changes to laws regarding the operation of exchanges by third parties may make the business model unsustainable and may lead to an inability to exchange mined Bitcoin for fiat currency efficiently;

- material litigation (including with our lenders and counter-parties counterparties), investigations or enforcement actions by regulators and governmental authorities; and

- because there has been limited precedent set for financial accounting of Bitcoin and other cryptocurrency assets, the determination that we have made for how to account for cryptocurrency assets transactions may be subject to change.

Risks Relating to the Ownership of Our Common Stock and Other Common Risks

- the volatility of our stock price;

- the volatility and variation in our revenue and operating costs from period to period; and

- our failure to meet our publicly announced guidance or other expectations.

Risks Relating to Our Business and Management

We have incurred operating losses since inception.

During the time we have operated we have incurred net losses. We expect to continue to incur losses for the near future, and these losses may likely increase as we pursue our growth strategy. If we do not achieve our operational objectives, and if we do not generate sufficient cash flow and income, our financial performance and long-term viability may be materially and adversely affected. Our inability to achieve and then maintain profitability would negatively affect our business, financial condition, results of operations and cash flows.

We will need to raise substantial additional capital to continue our operations and execute our business strategy, meet our debt service obligations and execute our business strategy, and we may not be able to raise adequate capital on a timely basis, on favorable terms, or at all. Our inability to raise sufficient capital would have a material adverse effect on our financial condition and business.

We have a history of losses from operations, we expect negative cash flows from our operations to continue for the foreseeable future, and we expect that our net losses will continue for the foreseeable future as we seek to increase the efficiency of our operations, find new co-location customers, and grow the size of our self-mining operations. These circumstances raise substantial doubt about our ability to continue as a going concern. Our financial statements as of December 31, 2023, have been prepared on the basis that we will be able to continue as a going concern and do not include any adjustments that might result from the outcome of this uncertainty. At December 31, 2023, our accumulated deficit was $182.67 million, our cash and cash equivalents were $4.48 million, we had negative working capital of $33.18 million, and we had an aggregate of $19.35 million of debt of which $16.87 million is overdue for repayment and the remaining is all required to be repaid within two months of December 31, 2023 unless we refinance or renegotiate the terms. In addition, the Celsius deposit of $15.33 million is the subject of an ongoing legal dispute.

Advancing our future plans will require substantial additional investment. Based on our current operating plan estimates, we do not have sufficient cash to satisfy our working capital needs and other liquidity requirements over the next 12 months from the date of this report. We will need to raise substantial additional capital in the near term to continue to fund our operations, meet our debt obligations and execute our current business strategy. The amount and timing of our capital needs have and will continue to depend on many factors, as discussed further below as well as under “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations —Liquidity and Capital Resources.”

We have several notes in default which can subject collateral to seizure and otherwise impact our ability to use the collateral in our operations as well as affect our ability to raise capital. Additional capital may not be available to us, or even if it is, the cost of such capital may be high or even uncommercial. We may be forced to obtain additional capital when our stock price or trading volume or both are low, or when the general market for cryptocurrency companies is weak. Raising capital under any of these or similar scenarios, if we can raise any at all, may lead to significant dilution to our existing stockholders. We may be forced to sell assets to raise capital, and we may not be able to realize the full value of those assets at the time of sale.

Because of a Current Report on Form 8-K, which we filed after the filing deadline, we are currently not eligible to utilize Form S-3 registration statements, which prevents us from utilizing our ATM or otherwise raising capital using a Form S-3, until our eligibility is regained in August 2024, thus delaying our ability to raise funds through these methods and increasing the time and cost to raise funds until August 2024. After regaining eligibility to use Form S-3 registration statements, we still expect to be limited by General Instruction I.B.6 of Form S-3, which is referred to as the “baby shelf” rules.

Our management may devote significant time and we may incur substantial costs in pursuing, evaluating and negotiating potential strategic options or capital-raising transactions and those efforts may not prove successful on a timely basis, or at all. If we cannot raise adequate additional capital when needed, we may be forced to reorganize or merge with another entity, sell or monetize assets, file for bankruptcy, or cease operations. If we become

unable to continue as a going concern, we may have to liquidate our assets, and might realize significantly less than the values at which they are carried on our financial statements, and our stockholders may lose all or part of their investment in our Common Stock.

Listing on The Nasdaq Capital Market ("Nasdaq")

Although our Common Stock is currently listed on Nasdaq, we may not be able to continue to meet Nasdaq's minimum listing requirements or those of any other national exchange.

If we are unable to maintain listing on Nasdaq or if a liquid market for our Common Stock does not develop or is not sustained, our Common Stock may remain thinly traded. If, for any reason, Nasdaq should delist our securities from trading on its exchange and we are unable to obtain listing on another national securities exchange, a reduction in some or all of the following may occur, each of which could have a material adverse effect on our shareholders:

1. The liquidity of our Common Stock;
2. The market price of our Common Stock;
3. Our ability to obtain financing for the continuation of our operations;
4. The number of investors that will consider investing in our Common Stock;
5. The number of market makers in our Common Stock;
6. The availability of information concerning the trading prices and volume of our Common Stock; and
7. The number of broker-dealers willing to execute trades in our Common Stock.

The Cryptocurrency Industry and Bitcoin pricing can be volatile

Bitcoin pricing has proven to be volatile, characterized by periods of extreme upturns and downturns that have lasted over lengthy time periods multiple times in cryptocurrency's history. A falling Bitcoin price directly affects our ability to generate revenue, which can affect our ability to meet our financial obligations. Further, volatility in energy prices has often resulted in the major input cost to generate Bitcoin increasing.

The price of Bitcoin can fluctuate due to investment and trading sentiment amongst users, speculators, and investors for a range of reasons, including changes in interest rate settings, or negative or positive publicity (for example due to legal proceedings or losses to Bitcoin investors due to fraud or cyber-attacks a cryptocurrency exchange or online wallet). Large holders of Bitcoin may be able to effect large price swings, especially if they were to liquidate their holdings, which would likely cause the price of Bitcoin to fall. A fall in the price of Bitcoin will have a negative impact on our revenues. The prices that we receive for our Bitcoin depend on numerous market factors beyond our control. Due to the highly volatile nature of the price of Bitcoin, our historical operating results have fluctuated, and continue to fluctuate, significantly from period to period. Mawson does not use derivatives to hedge Bitcoin prices.

Corporate collapses of important companies in the Bitcoin ecosystem, such as exchanges, funds, lenders, wallet providers and so on, or other cryptocurrencies can also have an impact on confidence and the Bitcoin price.

We are also exposed to the effect a falling price can have on our counterparties, including the exchanges we use and our co-location customers. In particular, in July of 2022, Celsius Networks, LLC and Celsius Mining LLC, filed for Chapter 11 bankruptcy. A subsidiary of Mawson remains an unsecured creditor of Celsius Mining LLC, with two unpaid pre-petition invoices totaling in excess of $1.8 million.

Subsequent disputes have led to litigation between Celsius entities and Mawson entities, refer to Part 3. Legal Proceedings section for further discussion.

Inflation in the global economy could negatively impact our business and results of operations.

General inflation in the United States and around the world has risen to levels not experienced in recent decades. General inflation, including rising prices for energy, metals, components, and other inputs as well as rising wages negatively impact our business by increasing our operating costs. As a result of inflation, we have experienced and may continue to experience, cost increases. Although we may take measures to mitigate the impact of this inflation, if these measures are not effective, our business, financial condition, results of operations, and liquidity could be materially adversely affected. Even if such measures are effective, there could be a difference between the timing of when these beneficial actions impact our results of operations and when the cost of inflation is incurred.

Increased Interest Rates

Central banks around the world (including the United States Federal Reserves) have been increasing their interest rates. While our current borrowings are at fixed rates of interest, any future borrowings or refinancing may be at higher interest rates than the rates that we have obtained in the past.

We or our suppliers may not be able to procure or repair hardware that is required in our operations.

The global supply chains are increasingly risky and complex. Our business relies on cryptocurrency-specific hardware such as the Miners, and containers in which to operate the Miners, and also more general plant and equipment such transformers, breakers, power boards exhaust fans, deflectors, monitoring equipment and many other parts. If we are unable to procure such hardware, or replacement parts (at commercial prices, or at all), or they are delayed, our operations may be adversely affected which would likely have a material adverse effect on our business, financial condition, results of operations and prospects. If the manufacturers of such hardware are unable to obtain materials or components themselves, they may experience manufacturing delays or have to cease manufacturing altogether. Supply chain disruptions may also occur from time to time due to a range of factors beyond our control, including, but not limited to, increased costs of labor, freight costs and raw material prices along with a shortage of qualified

workers.

There are a small number of major suppliers of Miners globally, and Miner manufacturing is located primarily in China. If we, or our customers, were unable to source Miners from those suppliers (for example due to overwhelming global demand for Miners, or due to geopolitical tensions, or war) at a commercial price, or at all, this would have a materially adverse impact on our business, financial condition, results of operations and prospects. Even if the suppliers have agreed to supply us with miners, they may fail to supply the Miners due to their inability to manufacture sufficient Miners due to a shortage of components or resources such as semiconductors, a default, insolvency, a change in control, or change of laws (including export/import restrictions, quotas or tariffs).

Trade policies such as export/import restrictions, quotas or tariffs may reduce the ability of our suppliers to supply us with Miners or create a shortage or lack of components necessary for their manufacture or repair. The government of the People's Republic of China in particular exerts a high level of influence and control over its economy and businesses (private and state owned). There have been various examples of government policies, decisions, laws and intervention into particular industries. Changes in any of these policies, laws and regulations, or the interpretations thereof, as they relate to the mining hardware suppliers, could have a negative impact on our business.

Additionally, if our electricity suppliers are negatively affected by the international supply chain issues, they may not be able to maintain or grow their facilities and may not be able to supply us with power, or we may be unable to source extra power in the future to enable our growth. This would likely have a material adverse effect on our business, financial condition, results of operations and prospects.

Such supply chain disruptions have the potential to cause material impacts to our operating performance and financial position if the delivery of equipment for our facilities is delayed.

Mining equipment is prone to breakdown, fail or become obsolete.

Miners and related mining equipment used to mine digital assets are sophisticated machines and may be operated over two years or longer. They are thus prone to breakdown and may not function at any given time. Any downtime of a significant number of our Miners and mining equipment will have a direct impact on us as they would not be performing their role. This could occur during an accident on site, or during transportation of a large number of Miners. In addition, the failure of any critical single piece of equipment may represent a single point of failure which could have widespread impacts. An example of this could be a fire within a substation resulting in a total power outage for a mining facility for a period until the substation was rebuilt, or a blown fuse which may affect any part of our facility. Such widespread mechanical issues or critical failures for any material duration would therefore decrease our revenue.

A number of factors drive the adoption of ever more efficient Miners in the Bitcoin mining industry, including the energy prices, the fact the Bitcoin algorithm was designed so that as more computing power is added to the network, the difficulty to mine for each block increases, and the halving. Over time older mining equipment becomes less and less profitable, and like most computing hardware, eventually becomes obsolete. Mawson's fleet has not been materially renewed for a number of years, which means that a number of factors could render its self-mining fleet obsolete, including a significant increase in difficulty, the halving, or simply wear and tear on the machines rendering some or all of them uncommercial, or inoperable.

Any extended outage or limitation of an internet connection at our sites could materially impact our operations and financial performance.

A secure, reliable and fast internet connection is required for our Miners to validate and verify Bitcoin transactions, secure transaction blocks and add those transaction blocks to the Bitcoin blockchain. Any extended downtime, bandwidth limitations or other constraints may reduce our ability to use our Miners support transactions on the Bitcoin network, and therefore reduce our ability to earn block rewards. The effects of any such events could have a material adverse effect on our operating results and financial condition.

Access to reliable electricity sources at reasonable prices is critical to our growth and profitability.

Our operations require significant amounts of electrical power. If we are unable to continue to obtain sufficient electrical power on a cost-effective basis, we may not be able to realize the anticipated benefits of our significant capital investments. If power prices increase this will likely materially impact whether we can generate Bitcoin profitably, and how much net energy benefits we will be entitled to.

Our Data Infrastructure require developed land, preferably close to sustainable and reasonably priced electricity sources. If we are unable to acquire rights to use such land or lose the rights to the land we currently lease or occupy, this would likely mean that we would lose access to the relevant supply of electricity. A lack of access to electricity would significantly impact the profitability and viability of our business.

Additionally, our operations could be materially adversely affected by prolonged power outages. Therefore, we may have to reduce or cease our operations in the event of an extended power outage, or as a result of the unavailability or increased cost of electrical power. If this were to occur, our business and results of operations could be materially and adversely affected.

Cyber-security threats pose a challenge to our business including the safekeeping of our digital assets, and a risk of reputational damage.

Mawson, like almost all businesses around the world, is subject to continuous malicious attempts to penetrate its systems. We take measures to protect our operations and our digital and physical assets from unauthorized access, damage or theft; however, it is possible that the security system may not prevent improper access to, or damage or theft of our assets. A security breach could harm our reputation or result in the loss of some or all of our assets, or an inability to operate. A resulting perception that our measures do not adequately protect our assets could adversely affect our business, financial condition, results of operations and prospects.

We promptly and frequently liquidate cryptocurrencies that we mine and keep a minimum number of cryptocurrencies in our possession so as to minimize our risks against theft, loss, destruction or other issues relating to hackers and technological attack. We have methods of monitoring and ensuring that our Miners are directing hashrate to the correct pools and that any Bitcoin produced is sent to the intended recipient. Nevertheless, this security system may still be penetrated and may not be free from defect or immune to acts of God, and any loss due to a security breach, software defect or act of God will be borne by us.

The security system and operational infrastructure may be breached due to the actions of outside parties, error or malfeasance of an employee, or otherwise, and, as a result, an unauthorized party may obtain access to our private keys, data or Bitcoins. Additionally, outside parties may attempt to fraudulently induce employees of ours to disclose sensitive information in order to gain access to our infrastructure. As the techniques used to obtain

unauthorized access, disable or degrade service, or sabotage systems change frequently, or may be designed to remain dormant until a predetermined event and often are not recognized until launched against a target, we may be unable to anticipate these techniques or implement adequate preventative measures. If an actual or perceived breach of our security system occurs, the market perception of the effectiveness of its security system could be harmed, which could adversely affect our business, financial condition, results of operations and prospects. In the event of a security breach, we may also be forced to cease operations, or suffer a reduction in assets, the occurrence of each of which could adversely affect us.

We may not have, or be able to obtain or maintain, relevant business insurance.

Due to the industry in which we operate, we may not be able to obtain or maintain some types of insurance that operators of similar businesses in other industries would usually obtain, at commercially viable premiums, or at all.

If our digital assets are lost, stolen or destroyed under circumstances rendering a party liable to us, the responsible party may not have the financial resources sufficient to satisfy our claim. Our digital assets are not insured.

The sale of our digital assets to pay expenses at a time of low digital asset prices could adversely affect our business.

We promptly and frequently liquidate cryptocurrencies. This may mean that we sell digital assets at a time when the prices on the respective digital asset exchange market are low, which could adversely affect our business, financial condition, results of operations and prospects.

We rely on a small number of key people, the loss of which could have a significant impact on us.

The responsibility of the direction and operation of our business relies heavily on a small number of key people, including our CEO and CFO. If any of our key employees or service providers cease their involvement in our business or, in the unfortunate situation one or more of them are seriously injured or dies, this loss would have a significant and likely adverse impact on us.

If we fail to grow our hash rate and to effectively manage the renewal of our Miner fleet and other plant and equipment, we may be unable to compete, and our results of operations could suffer.

Generally, a bitcoin miner's chance of solving a block on the Bitcoin blockchain and earning a bitcoin reward is a function of the miner's hash rate (i.e., the amount of computing power devoted to supporting the Bitcoin blockchain), relative to the global network hash rate. As greater adoption of Bitcoin occurs, we expect the demand for Bitcoin will increase further, drawing more mining companies into the industry and thereby increasing the global network hash rate. As new and more powerful miners are deployed, the global network hash rate will continue to increase, meaning a miner's chance of earning bitcoin rewards will decline unless it deploys additional hash rate at pace with the industry.

Accordingly, to maintain our chances of earning new bitcoin rewards and remaining competitive in our industry, we must seek to continually add new miners to grow our hash rate at pace with the growth in the Bitcoin global network hash rate. However, as demand has increased and scarcity in the supply of new miners has resulted, the price of new miners has increased sharply, and we expect this process to continue in the future as demand for bitcoin increases. Therefore, if the price of bitcoin is not sufficiently high to allow us to fund our hash rate growth through new miner acquisitions and if we are otherwise unable to access additional capital to acquire these miners, our hash rate may stagnate, and we may fall behind our competitors. If this happens, our chances of earning new bitcoin rewards would decline and, as such, our results of operations and financial condition may suffer.

As our digital assets reach the end of useful life (such as our miner fleet) we will need to plan for their replacement. Replacing our mining fleet will require significant capital which the Company does not currently have. If we are unable to raise sufficient capital and replace or renew our mining fleet, we may not be able to mine for Bitcoin on a commercial basis. This may force us to consider other business options, such as to expand our co-location business, however, even if successful, these alternative business options may not generate the same level of profit or income as self-mining.

Cryptocurrency mining is a highly competitive industry.

The cryptocurrency mining industry is highly competitive, especially for Bitcoin, and there are several competitors who are considerably larger than Mawson, and who have operated for longer in the industry. With this size and operating history likely comes greater resources (financial, human, and technical), greater brand recognition and reputation, stronger business relationships, and economies of scale. We expect existing competitors will expand their operations, new competitors will enter the industry, and some competitors will merge to create even stronger competitors. The digital asset mining industry is global. If the amount of competing computational power in the Bitcoin network increases, then the difficulty of the mining process increases, which may lead to lower Bitcoin rewards for Mawson.

If we are unable to compete successfully, or if competing successfully requires us to take costly actions in response to the actions of our competitors, our business, operating results and financial condition could be adversely affected.

Global climate change and related environmental regulations may have an adverse effect on our business operations and financial position.

Changes in climate and its effect on the environment such as changes in heat, humidity, snow, rainfall, weather patterns, water supplies and shortages, sea level and changing temperatures could have an adverse effect on our operations and financial performance. The potential physical effects of climate change on our operations, if any, are highly uncertain.

Extreme weather events may:

- cause damage to one or more of our modular data centers (that house our Miners) and therefore reduce our ability to maximize the performance of or operate the Miners;
- affect the delivery times of equipment ordered from our manufacturers and therefore impact our financial forecasts which were scheduled for a certain period of time; or
- cause power disruptions or cuts to our Miners, reducing operating times and the performance of the Miners.

Any legislative changes regarding climate change or energy usage could add significant burden and costs to our business, including costs related to making our energy consumption more efficient and lower impact on the environment, environmental monitoring and reporting, taxes and other costs to

comply with such changes. Further, there could be reputational damage to our business caused by increased negative publicity surrounding cryptocurrency and the apparent effects on the environment.

We are subject to a highly-evolving regulatory landscape and any adverse changes to, or our failure to comply with, any laws and regulations could adversely affect our business, reputation, prospects or operations. Obtaining and complying with required government permits and approvals may be time-consuming and costly.

We are required to obtain, and to comply with, numerous permits and licenses from federal, state and local governmental agencies. The process of obtaining and renewing necessary permits and licenses can be lengthy and complex, requiring up to months or years for approval depending on the nature of the permit or license and such process could be further complicated or extended in the event regulations change. In addition, obtaining such permit or license can sometimes result in the establishment of conditions that create a significant ongoing impact to the nature or costs of operations or even make the project or activity for which the permit or license was sought unprofitable or otherwise unattractive. In addition, such permits or licenses may be subject to denial, revocation or modification under various circumstances. Failure to obtain or comply with the conditions of permits or licenses, or failure to comply with applicable laws or regulations, may result in the delay or temporary suspension of our operations and electricity sales or the curtailment of our delivery of electricity to our customers and may subject us to penalties and other sanctions. Although various regulators routinely renew existing permits and licenses, renewal of our existing permits or licenses could be denied or jeopardized by various factors, including failure to provide adequate financial assurance for closure, failure to comply with environmental, health and safety laws and regulations or permit conditions, local community, political or other opposition and executive, legislative or regulatory action. Our inability to procure and comply with the permits and licenses required for these operations, or the cost to us of such procurement or compliance, could have a material adverse effect on us. In addition, new environmental legislation or regulations, if enacted, or changed interpretations of existing laws, may cause activities at our facilities to need to be changed to avoid violating applicable laws and regulations or eliciting claims that historical activities at our facilities violated applicable laws and regulations. In addition to the possible imposition of fines in the case of any such violations, we may be required to undertake significant capital investments and obtain additional operating permits or licenses, which could have a material adverse effect on us.

Banks and financial institutions may cease to provide financial services to persons involved in cryptocurrency transactions.

Banks and other financial institutions can and have made legal and risk-based decisions to not accept customers such as digital assets investors or businesses that engage in Bitcoin-related activities or that accept Bitcoin as payment. This may be because it would be illegal for them to do so, or in situations where the legal position is unsure, but subject to material risk. If we, or our major business partners (e.g. exchanges, mining pools, or miner suppliers) are unable to obtain banking services, this will cause material business disruption and loss and damage to our business. If it occurs to a significant number of Bitcoin users, investors and traders, this may lead to a loss of confidence in Bitcoin and its value, leading to a fall in the Bitcoin price.

Risks Relating to Cryptocurrency Mining, Bitcoin Price and Technology

Significant contributors to all or any digital asset network could propose amendments to the respective network's protocols and software that, if accepted and authorized by such network, could adversely affect us.

For example, with respect to Bitcoin networks, a small group of individuals contribute to the Bitcoin Core project on GitHub.com. These individuals can propose refinements or improvements to the Bitcoin network's source code through one or more software upgrades that alter the protocols and software that govern the Bitcoin network and the properties of Bitcoin, including the irreversibility of transactions and limitations on the mining of new Bitcoin. Proposals for upgrades and discussions relating thereto take place on online forums. For example, there is an ongoing debate regarding altering the blockchain by increasing the size of blocks to accommodate a larger volume of transactions. Although some proponents support an increase, other market participants oppose an increase to the block size as it may deter miners from confirming transactions and concentrate power into a smaller group of miners.

To the extent that a significant majority of the users and miners on the Bitcoin network install such software upgrade(s), the Bitcoin network would be subject to new protocols and software that could materially adversely affect our business, financial condition, results of operations and prospects. In the event a developer or group of developers proposes a modification to the Bitcoin network that is not accepted by a majority of miners and users, but that is nonetheless accepted by a substantial plurality of miners and users, two or more competing and incompatible blockchain implementations could result. This is known as a "hard fork." In such a case, the "hard fork" in the blockchain could materially and adversely affect the perceived value of digital assets as reflected on one or both incompatible blockchains, which may materially adversely affect our business, financial condition, results of operations and prospects.

If a malicious actor or botnet obtains control in excess of 50% of the processing power active on any digital asset network, including the Bitcoin network, it is possible that such actor or botnet could manipulate the blockchain in a manner that adversely affects us.

If a malicious actor or botnet (a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtains a majority of the processing power dedicated to mining on any digital asset network, including the Bitcoin network, it may be able to alter the blockchain by constructing alternate blocks if it is able to solve for such blocks faster than the remainder of the miners on the blockchain can add valid blocks. In such alternate blocks, the malicious actor or botnet could control, exclude or modify the ordering of transactions, though it could not generate new digital assets or transactions using such control. Using alternate blocks, the malicious actor could "double-spend" its own digital assets (i.e., spend the same digital assets in more than one transaction) and prevent the confirmation of other users' transactions for so long as it maintains control. To the extent that such malicious actor or botnet does not yield its majority control of the processing power, or the digital asset community does not reject the fraudulent blocks as malicious, reversing any changes made to the blockchain may not be possible. Such changes could materially adversely affect our business, financial condition, results of operations and prospects.

A failure to properly monitor and upgrade the Bitcoin network protocol could damage the Bitcoin network and adversely affect us.

The open-source structure of the cryptocurrencies network protocols means that the contributors to the protocol are generally not directly compensated for their contributions in maintaining and developing the protocol. The Bitcoin network, for example, operates based on an open-source protocol maintained by contributors, largely on the Bitcoin Core project on GitHub. As an open-source project, Bitcoin is not represented by an official organization or authority. As the Bitcoin network protocol is not sold and its use does not generate revenues for contributors, contributors are generally not compensated for maintaining and updating the Bitcoin network protocol. The lack of guaranteed financial incentive for contributors to maintain or develop the Bitcoin network and the lack of guaranteed resources to adequately address emerging or latent issues with the Bitcoin network may reduce incentives to address the issues adequately or in a timely manner. Modification or changes to the Bitcoin protocol by a sufficient number of users (known as a "fork") may lead to unforeseen bugs or other negative outcomes for Mawson and miners in general. Changes to our latent issues in a digital asset network which

we are mining could materially adversely affect our business, financial condition, results of operations and prospects.

The incentive for Bitcoin mining may decrease over time as the reward decreases.

A Bitcoin halving occurs when block rewards, or the number of Bitcoins entering circulation whenever a block is produced (approximately every 10 minutes), is reduced by half. This occurs on a schedule built into Bitcoin's programming and happens every 210,000 blocks with the purpose being to issue the total supply of Bitcoin into the market less frequently over time. This supply effect increases Bitcoin's scarcity, which has, historically, increased its price. When Bitcoin first started, 50 Bitcoins were rewarded to miners per block produced. The reward has decreased over the years and, the current block reward is 6.25 Bitcoins per block. Halving events will continue until the block reward reaches zero. The process will end with a predetermined total of 21 million Bitcoins being issued, estimated to be around the year 2140. At each prior halving event, the short-term subsequent effect on the Bitcoin price has been an increase in price, however this trend may not continue in the future, in which case, our business, financial condition, results of operations and prospects may be materially adversely affected.

More significant reductions in aggregate hashrate on digital asset networks could result in material, though temporary, delays in block solution confirmation time. Any reduction in confidence in the confirmation process or aggregate hashrate of any digital asset network may negatively impact the value of digital assets, which will adversely impact our business, financial condition, results of operations and prospects.

The increasing network difficulty, plays a crucial role in determining the profitability of Bitcoin mining.

Essentially, network difficulty refers to the degree of effort required to solve the mathematical problems that validate transactions on the Bitcoin network. For cryptocurrencies that use a Proof-of-Work (PoW) validation system such as Bitcoin, creating new cryptocurrencies involves "miners" using their computers to solve complex mathematical puzzles. In the case of Bitcoin, miners' computers, also called nodes, collect and bundle individual transactions into blocks every ten minutes, which is the fixed "block time" of Bitcoin. The computers then compete to solve a complex cryptographic puzzle to be the first to validate the new block for the blockchain. As a cryptocurrency like Bitcoin becomes more popular, the number of computers participating in this peer-to-peer validation network increases. With more participants and more computing power, the so-called "hashpower" of the entire network increases accordingly.

The higher the network difficulty, the more challenging it is to mine new Bitcoins. As a result, mining profitability is directly impacted by changes in difficulty levels. There are several other factors that can influence network difficulty, such as:

1. Network difficulty adjustments: The Bitcoin network adjusts difficulty every 2016 blocks or approximately every two weeks. The adjustment is based on the total network hash rate, which is the measure of computing power being used to mine on the network. If the hashing power on the network increases, the difficulty level also increases to maintain a consistent rate of new blocks being added to the blockchain. Conversely, if the hashing power decreases, the difficulty level decreases as well. This means that the profitability of mining can be impacted by changes in the number of miners on the network.

2. Block time: As mentioned earlier, the target block time for Bitcoin is 10 minutes. If blocks are being generated too quickly, the difficulty level will increase to slow down the rate of block creation. Conversely, if blocks are being generated too slowly, the difficulty level will decrease to speed up the rate of block creation.

3. Hardware efficiency: The efficiency of mining hardware can have a significant impact on mining difficulty. More efficient hardware can mine more hashes per second, which increases the hash rate and can cause the difficulty level to rise.

4. Electricity costs: Mining requires a lot of electricity, and the cost of electricity can have a significant impact on mining difficulty. If electricity costs are high, miners may need to shut down their operations or switch to more efficient hardware to remain profitable.

5. Market conditions: The price of Bitcoin can have a significant impact on mining difficulty. If the price of Bitcoin increases, more miners may join the network, causing the hash rate to increase and the difficulty level to rise. Conversely, if the price of Bitcoin decreases, some miners may exit the network, causing the hash rate to drop and the difficulty level to decrease.

6. The Halving: Bitcoin undergoes a halving event roughly every four years, where the reward for mining a new block is cut in half. This means that miners need to mine twice as many blocks to earn the same amount of bitcoin. This can lead to a drop in hash rate, as some miners may find it less profitable to continue mining.

An increase in transaction fees could reduce the price of digital assets.

If fees increase for recording transactions on the Bitcoin network, demand for cryptocurrencies may decrease and prevent the expansion of the network to retail merchants and commercial businesses, resulting in a reduction in the price of digital assets that could adversely affect our business, financial condition, results of operations and prospects.

Cryptocurrency firms may be forced to sell their Bitcoin or cryptocurrency holdings putting downward pressure on the Bitcoin price.

A professionalized mining operation may be more likely to sell a higher percentage of its newly mined digital assets rapidly if it is operating at a low profit margin. In a low profit margin environment, a higher percentage could be sold into the digital asset exchange market more rapidly, thereby potentially reducing digital asset prices. Lower digital asset prices could result in further tightening of profit margins, particularly for mining operations with higher costs and more limited capital reserves, creating a network effect that may further reduce the price of digital assets until mining operations with higher operating costs become unprofitable and remove mining power from the respective digital asset network. The network effect of reduced profit margins resulting in greater sales of newly mined digital assets could result in a reduction in the price of digital assets that could adversely impact our business, financial condition, results of operations and prospects.

To the extent that the digital asset exchanges / custodians representing a substantial portion of the volume in digital asset trading are involved in fraud or experience security failures or other operational issues, such digital asset exchanges / custodians' failures may result in a reduction in the price of some or all digital assets and can adversely affect us.

The digital asset exchanges / custodians on which the digital assets trade are relatively new (compared to actors in traditional financial services) and, in most cases, largely unregulated, or subject to little oversight. Furthermore, many digital asset exchanges / custodians (including several of the most prominent USD denominated digital asset exchanges) do not provide the public with significant information regarding their ownership structure, management teams, corporate practices or regulatory compliance. As a result, the marketplace may lose confidence in, or may experience problems relating to, digital asset exchanges / custodians, including prominent exchanges / custodians handling a significant portion of the volume of digital asset trading.

A lack of stability in the digital asset exchange market and the closure or temporary shutdown of digital asset exchanges due to fraud, business failure, hackers or malware, or government-mandated regulation may reduce confidence in the digital asset networks and result in greater volatility in digital asset values. These potential consequences of a digital asset exchange's failure could materially adversely affect our business, financial condition, results of operations and prospects.

The further development and acceptance of digital asset networks and other digital assets, which represent a new and rapidly changing industry, are subject to a variety of factors that are difficult to evaluate. The slowing or stopping of the development or acceptance of digital asset systems may adversely affect us.

Currently, there is relatively small use of Bitcoins and other cryptocurrencies in the retail and commercial marketplace in comparison to relatively large use by speculators, thus contributing to price volatility that could adversely affect an investment in us. Cryptocurrencies are a relatively new concept and asset class, so there is still some degree of uncertainty and skepticism about their use. Whether their popularity will gain further traction is difficult to predict. If the popularity and use of cryptocurrencies diminish and leads to their value decreasing, our business, financial condition, results of operations and prospects may be materially adversely affected.

Future digital assets and digital currency development may lessen the usage of Bitcoin .

Digital asset technology is evolving, and new digital assets can be created. New digital assets competing with Bitcoin may increase in popularity and in turn cause a decline in the value of Bitcoin, which may in turn lead to a decline in the Bitcoin network and our ability to generate revenue from our current mining activities. This may include the development of so-called central bank digital currencies (CBCDs). Many governments around the world, and central banks are reportedly considering or studying the potential for CBCDs, including the United States Federal Reserve.

The development of quantum computing threatens the cryptographic protections of blockchain protocols.

Governments and corporations around the world are conducting research and development to produce quantum computers which will be much more powerful than modern computers. The potential capability of quantum computers poses a potential threat to the underlying cryptographic protections that the Bitcoin blockchain protocol relies on, and therefore to the reliability of the blockchain, and may therefore undermine users' trust in Bitcoin and digital currencies in general. For example, a quantum computer may provide the possibility of decrypting user private keys and forging transaction signatures, undermining the integrity of the blockchain. A loss of trust in the digital currencies due to the ability of quantum computing to undermine security protocols will likely have a material adverse effect on our business, results of operations and financial condition.

Risks Relating to Laws, Regulatory Frameworks, and Legal Action

Digital assets such as Bitcoin are likely to be more highly regulated.

Digital assets and cryptocurrencies have been subject to ongoing scrutiny by regulators and government. It is possible that regulation in the digital asset industry will increase. We cannot be certain of future regulatory developments or interpretations, and it is difficult to list or describe all the risks that Mawson may be subject to in this space. In addition, regulatory actions, as well as any other political developments in the regions with active cryptocurrency trading or mining, may increase our domestic competition as some of those cryptocurrency miners or new entrants in this market may move their cryptocurrency mining operations or establishing new operations in the United States. Furthermore, government scrutiny related to restrictions on cryptocurrency mining facilities and their energy consumption has increased over the past few years as cryptocurrency mining has become more widespread. The consumption of electricity by mining operators may also have a negative environmental impact, including contribution to climate change, which could set the public opinion against allowing the use of electricity for bitcoin mining activities or create a negative consumer sentiment and perception of bitcoin. State and federal regulators are increasingly focused on the energy and environmental impact of bitcoin mining activities. Additionally, if the regulatory and economic environment in Pennsylvania and Ohio were to become less favorable to bitcoin mining and hosting companies, including by way of increased taxes, means our business, financial condition and results of operations could be adversely affected.

Bitcoin and Bitcoin mining are presently legal in the U.S.; however, they may become illegal in the future, or subject to regulation (such as caps, taxes or licensing regimes).

Regulatory changes or interpretations could cause us (or any of our related entities) to register and comply with new regulations, resulting in potentially extraordinary, recurring or non-recurring expenses to continuing our digital assets business, or entering into new business ventures.

We may not be able to timely and effectively implement controls and procedures required by Section 404 of the Sarbanes-Oxley Act of 2002.

We are required to comply with certain provisions of Section 404 of the Sarbanes-Oxley Act of 2002 ("Sarbanes-Oxley Act"). Section 404 requires that our management maintain a system of internal control over financial reporting that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. It also requires that our management annually evaluate whether our internal control over financial reporting is effective at providing reasonable assurance and to disclose its assessment to investors. Our management conducted an assessment of the effectiveness of our internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). As a result of this assessment, management identified material weaknesses in our internal control over financial reporting as described in Item 9A. "Controls and Procedures". As a result of the material weaknesses in our internal control over financial reporting, the Company's management has concluded that, as December 31, 2023, the Company's internal control over financial reporting was not effective based on the criteria in Internal Control – Integrated Framework issued by COSO.

Mawson may not be able to implement adequate controls and procedures in time that adequately respond to the regulatory compliance and reporting requirements that are applicable to us. If Mawson is not able to implement the requirements of Section 404 of the Sarbanes-Oxley Act in a timely manner or with adequate compliance, we may not be able to assess whether our internal control over financial reporting are effective, which may subject us to adverse regulatory consequences and could harm investor confidence and the market price of our stock.

In addition, as a smaller reporting company and non-accelerated filer, we are not subject to the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act. However, as we grow, we may become subject to the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act.

If we fail to comply with the requirements of Section 404 of the Sarbanes-Oxley Act, the accuracy and timeliness of the filing of our annual and quarterly reports may be materially adversely affected and could cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our Common Stock. In addition, we identified a material weakness in the effectiveness of our internal control over

financial reporting which could result in an increased chance of fraud and the loss of customers, reduce our ability to obtain financing and require additional expenditures to comply with these requirements, each of which could have a material adverse effect on our business, results of operations and financial condition.

Future developments regarding the treatment of digital assets for U.S. federal income and foreign tax purposes could adversely impact our business.

Globally, many taxation laws, rules and guidelines have not been developed with digital assets or cryptocurrencies in focus. For example, many significant aspects of the U.S. federal income and foreign tax treatment of transactions involving digital assets are uncertain, and it is unclear what guidance may be issued in the future on the treatment of digital asset transactions for U.S. federal income and foreign tax purposes.

There can be no assurance that the IRS or other foreign tax authorities will not alter their position or introduce new laws, regulations or guidance with respect to digital assets. Any such alteration of existing IRS and other foreign tax authority positions or additional guidance regarding digital asset products and transactions could result in adverse tax consequences for our business and could have an adverse effect on the value of digital asset and the broader digital assets markets. In addition, the IRS and other foreign tax authorities may disagree with tax positions that we have taken, which could result in increased tax liabilities. Future technological and operational developments that may arise with respect to digital currencies may increase the uncertainty with respect to the treatment of digital currencies for U.S. federal income and foreign tax purposes.

Another example of an adverse ruling would be if we were classified as a passive foreign investment company (a "PFIC") for any taxable year. Based on the current and anticipated composition of our income, assets and operations, and our business generally, we do not expect to be treated as a PFIC for the current taxable year or in the foreseeable future. The application of the PFIC rules to digital assets and transactions related thereto is subject to uncertainty. There can be no assurance that Mawson will not be classified as a PFIC for the current taxable year or for any future taxable year. If Mawson is considered a PFIC then there may be negative tax consequences for U.S. holders of our ordinary shares, as well as being subject to annual information reporting requirements. U.S. holders may wish to consult their tax advisors about the potential application of the PFIC rules to an investment in our ordinary shares.

Regulatory intervention by governments could affect the right to acquire, own, hold, sell, exchange or use Bitcoin or other cryptocurrencies.

Governments have and may take regulatory actions to restrict the right to acquire, own, hold, sell, exchange or use Bitcoin or other cryptocurrencies. For example, it may be, or may become, illegal to accept payment in Bitcoin for consumer transactions and banking institutions could be barred from accepting deposits of cryptocurrencies. Such restrictions would have a negative effect on the value and price of Bitcoin. On the other hand, some governments could decide to subsidize or support certain Bitcoin mining projects, thus adding hash rate to the overall network, and having a material adverse effect on the amount of Bitcoin we may be able to mine, the value of Bitcoin and, consequently, our business, prospects, financial condition and operating results.

Additional legislation or guidance may be issued by U.S. and non-U.S. governing bodies that may differ significantly from our practices or interpretation of the law, which could have unforeseen effects on our financial condition and results of operations.

As cryptocurrencies have grown in both popularity and market size, governments around the world have reacted differently to cryptocurrencies; certain governments have deemed them illegal, and others have allowed their use and trade without restriction, while in some jurisdictions, such as in the United States, subject the mining, ownership and exchange of cryptocurrencies to extensive, and in some cases overlapping, unclear and evolving regulatory requirements. We are subject to various federal, state, and local laws and regulations, including those relating to the generation of power, noise, storage, handling, and disposal of hazardous substances and wastes. Certain of these laws and regulations also impose joint and several liability, without regard to fault, for investigation and cleanup costs on current and former owners and operators of real property and persons who have disposed of or released hazardous substances into the environment. Electricity costs could also be affected due to existing or new regulations on greenhouse gas emissions, whether such regulations apply to all consumers of electricity or just to specified uses, such as Bitcoin mining. These regulations may be federal, state or local. There has been interest in the U.S. federal government and in some state governments in addressing climate change, including through regulation of Bitcoin mining. Past policy proposals to address climate change include measures ranging from taxes on carbon use or generation to energy consumption disclosure regimes to federally imposed limits on greenhouse gas emissions or energy use restrictions specific to Bitcoin mining. It is unclear how any such future legislation and regulation will affect our Pennsylvania and Ohio facilities. The course of future legislation and regulation in the United States remains difficult to predict, and potential increased costs associated with new legislation or regulation cannot be estimated at this time. Given the difficulty of predicting the outcomes of ongoing and future regulatory actions and legislative developments, it is possible that they could have a material adverse effect on our business, prospects or operations.

Legislative, regulatory, and litigation threats regarding climate change and energy conservation.

Changing environmental regulation and public energy policy may expose our business to new risks. Our Bitcoin co-location services and mining operations require a substantial amount of power and can only be successful, and ultimately profitable, if the costs we incur, including for electricity, are lower than the revenue we generate from our operations. As a result, our operations can only be successful if we can obtain sufficient electrical power for that mine on a cost-effective basis. For instance, our plans and strategic initiatives for our Pennsylvania and Ohio facilities are based, in part, on our understanding of current environmental and energy regulations, policies, and initiatives enacted by federal and state regulators. If new regulations are imposed, or if existing regulations are modified, the assumptions we made underlying our plans and strategic initiatives may be inaccurate, and we may incur additional costs to adapt our planned business, if we are able to adapt at all, to such regulations.

In addition, there continues to be a lack of consistent climate legislation, which creates economic and regulatory uncertainty for our business because the cryptocurrency mining industry, with its high energy demand, may become a target for future environmental and energy regulation. New legislation and increased regulation regarding climate change could impose significant costs on us and our suppliers, including costs related to increased energy requirements, capital equipment, environmental monitoring and reporting, and other costs to comply with such regulations. Further, any future climate change regulations could also negatively impact our ability to compete with companies situated in areas not subject to such limitations. Moreover, we currently participate in energy demand response programs to curtail operations, return capacity to the electrical grid, and receive funds to offset foregone operational revenue when necessary, such as in extreme weather events. Given the political significance and uncertainty around the impact of climate change and how it should be addressed, and energy disclosure and use regulations, we cannot predict how legislation and regulation will affect our financial condition and results of operations in the future in the United States and the states of Pennsylvania and Ohio. Further, even without such regulation, increased awareness and any adverse publicity in the global marketplace about potential impacts on climate change or energy use by us or other companies in our industry could harm our reputation. Any of the foregoing could result in a material adverse effect on our business and financial condition.

Changes to laws regarding the operation of Bitcoin mining and Bitcoin and cryptocurrency exchanges by third parties may make the business model unsustainable and may lead to an inability to exchange mined Bitcoin for fiat currency efficiently, or may be made illegal in certain jurisdictions, including the ones we operate in, which could adversely affect our business prospects and operations.

It is possible that state or federal regulators may seek to impose harsh restrictions or total bans on cryptocurrency mining which may make it impossible for us to do business without relocating our co-location and self-mining operations, which could be very costly and time consuming. Further, although Bitcoin and Bitcoin mining, as well as cryptocurrencies generally, are largely unregulated in most countries (including the United States), regulators could undertake new or intensify regulatory actions that could severely restrict the right to mine, acquire, own, hold, sell, or use cryptocurrency or to exchange it for traditional fiat currency such as the United States Dollar. Such restrictions may adversely affect us as the large-scale use of cryptocurrencies as a means of exchange is presently confined to certain regions globally. Such circumstances could have a material adverse effect on us, which could have a material adverse effect on our business, prospects, or operations and potentially the value of any Bitcoin or other cryptocurrencies we or our co-location customers mine, or otherwise acquire or hold, and thus harm investors. We are unable to predict the nature or extent of new and proposed legislation and regulation affecting the cryptocurrency industry, or the potential impact of the use of cryptocurrencies, which could have material adverse effects on our business and our industry more broadly.

We may be subject to material litigation (including with our lenders and counter-parties counterparties), investigations, or enforcement actions by regulators and governmental authorities that are expensive to support, and if resolved adversely, could harm our business, revenue, and financial results.

We have been the subject to certain claims, legal proceedings (See Item 3. Legal Proceedings section) and may be subject in the future to claims, legal proceedings, government investigations or enforcement actions, including in the ordinary course of business. Agreements entered into by Mawson sometimes include indemnification provisions which can subject Mawson to costs and damages in the event of a claim against an indemnified third party. Regardless of the merit of particular claims, defending against litigation or responding to government investigations can be expensive, time-consuming, disruptive to operations and distracting to management. If Mawson is unable to successfully defend itself against such claims, then it may become liable to make substantial payments to satisfy judgments, fines or penalties, or alter, delay, limit or cease some or all its business practices. Mawson may suffer damage to our brand and reputation.

Because there has been limited precedent set for financial accounting for bitcoin and other cryptocurrency assets, the determinations that we have made for how to account for cryptocurrency assets transactions may be subject to change.

Because there has been limited precedent set for the financial accounting for bitcoin and other cryptocurrency assets and related revenue recognition and no official guidance has yet been provided by the Financial Accounting Standards Board or the SEC, it is unclear how companies may in the future be required to account for cryptocurrency transactions and assets and related revenue recognition. A change in regulatory or financial accounting standards could result in the necessity to change the accounting methods we currently intend to employ in respect of our anticipated revenues and assets and restate any financial statements produced based on those methods. Such a restatement could adversely affect our business, prospects, financial condition, and results of operation.

Risks Relating to the Ownership of Our Common Stock and Other Common Risks

The trading price of our Common Stock is likely to continue to be volatile.

The trading price of our Common Stock has been highly volatile and could continue to be subject to wide fluctuations in response to various factors, some of which are beyond our control. Our Common Stock has experienced fluctuations due to market dynamics, and the Bitcoin downturn. The stock market in general, and the market for technology companies in particular, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies. Our Common Stock may be traded by short sellers, which may put pressure on the supply and demand for our Common Stock, further influencing volatility in its market price. Public perception of our company or management and other factors outside of our control may additionally impact Mawson's stock price.

Our financial results may vary significantly from period to period due to fluctuations in our revenue, operating costs and other factors.

We expect our period-to-period financial results to vary based on a variety of factors, which we anticipate will fluctuate due to external factors such as the Bitcoin price and energy costs, may not be consistent or linear between periods. As a result of these factors, quarter-to-quarter comparisons of our financial results may not be useful, and that these comparisons cannot be relied upon as indicators of future performance. Moreover, our financial results may not meet the expectations of equity research analysts, ratings agencies or investors, who may be focused only on short-term quarterly financial results. If any of this occurs, the trading price of our stock could fall substantially, either suddenly or over time.

We may fail to meet our publicly announced guidance or other expectations about our business, which could cause our stock price to decline.

We may provide from time-to-time guidance regarding our expected financial and business performance. Correctly identifying key factors affecting business conditions and predicting future events is inherently an uncertain process, and our guidance may not ultimately be accurate and has in the past been inaccurate in certain respects, such as the timing of new exahash. Our guidance is based on certain assumptions, and may vary from actual results, if our assumptions are not met or are impacted as a result of various risks and uncertainties, the market value of our Common Stock could decline significantly.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

Not applicable.

ITEM 1C. CYBERSECURITY.

We recognize the importance of assessing, identifying, and managing risks associated with cybersecurity threats. Accordingly, we address these risks by implementing and maintaining processes, and technologies designed to prevent, detect, and mitigate incidents that could pose cybersecurity risk. We are equally subject to various cybersecurity risks that could adversely affect our business, financial condition, and results of operations, including intellectual property theft; fraud; extortion; harm to employees or customers; interruption of business activities and activities of our customers, violation of privacy laws and other litigation and legal risk; and reputational risk. In adopting our risk assessment and management program, we are committed to safeguarding our systems and data.

We have implemented a risk-based approach, guided by Federal Information Processing Standards Publication 199, to identify, classify, and appropriately assess the range of cybersecurity threats that could affect our business and information systems. We also rely on information technology and third-party vendors to support our operations, including our secure processing of personal, confidential, sensitive, proprietary, and other types of information. Our cybersecurity risk management program is integrated into our overall enterprise risk management program, and shares common

methodologies, reporting channels, and governance processes that apply across the enterprise risk management program to other legal, compliance, strategic, operational, and financial risk areas.

Additionally, we monitor emerging laws, industry standards, and regulations related to information security and data protection. Although we have not experienced any cybersecurity incidents or threats that have materially affected or are reasonably likely to materially affect our business strategy, results of operations, or financial condition to date, and though we are actively monitoring our networks and access points by implementing security updates regularly, we cannot provide any assurance that there will not be incidents or threats in the future that may materially affect us, including our business strategy, results of operations, or financial condition.

Pursuant to our risk management policy, responsibility for the implementation of our risk management policy resides with the Chief Financial Officer. The Audit Committee receives an update on the Company's risk management process, risk trends and any incidents at least annually from the management team. In the event of any incident, the Company expects to notify the Audit Committee immediately, or as soon as possible.

Our cybersecurity policies, standards, processes, and practices are regularly assessed. These assessments incorporate various activities including information security assessments and independent reviews of our information security control environment and operating effectiveness. We utilize managed detection and response systems, endpoint protection, content filtering aimed at blocking malware and software to eliminate phishing, ransomware, and fraud. We also utilize multi-factor authentication on all sensitive applications and information entry-points, review access to data regularly, and have failover-protected business disaster recovery and backup storage systems. The Company conducts cybersecurity training and testing programs regularly.

ITEM 2. PROPERTIES.

Our principal place of business is located at 950 Railroad Avenue, Midland, Pennsylvania 15059. We have the following leases:

The Company leases 6-acres of land in Midland, Pennsylvania, which began in October 2021 for thirty-six months with the option to exercise four additional three-year extensions.

Effective May 24, 2023, Mawson Bellefonte LLC entered into a lease agreement for a 9,918 square foot developed mining facility in Bellefonte, Pennsylvania. The term of the lease is for two years and seven months, with an option to extend for five years.

On March 16, 2022, Luna Squares Property LLC entered into a lease with respect to a property in the City of Sharon, Mercer County, Pennsylvania with Vertua Property, Inc. The term of the lease was for 5 years, with 2 options to extend for 5 years each. On February 2, 2024 the Sharon lease was terminated and as of March 2024 the Company has moved completely out of the facility.

Effective May 1, 2023, Mawson Ohio LLC took an assignment of a lease agreement for approximately 64,600 square feet for an undeveloped site in Corning, Ohio. The term of the lease is for four years, with an option to extend for five years.

We do not own or lease any other land or buildings. We believe that our existing facilities are suitable and adequate to meet our current business requirements. However, Mawson is growing and, should we require additional or alternative facilities, we believe that such facilities can be obtained in reasonable time frames at commercial rates.

ITEM 3. LEGAL PROCEEDINGS.

We have been made a defendant to certain legal proceedings which may have or have had in the recent past significant effects on our financial position or profitability. On July 13, 2022, Celsius Mining LLC and Celsius Network LLC and other related entities (collectively, "Celsius"), filed for bankruptcy relief under Chapter 11 in the United States Bankruptcy Court for the Southern District of New York (the "Court"), Case No. 22-10964. In that matter, on November 23, 2023, Celsius Mining LLC filed an adversary proceeding against Mawson, its subsidiaries Luna Squares LLC and Cosmos Infrastructure LLC, asserting various claims related to the alleged breach of a Co-Location Agreement and Secured Promissory Note. Adv. Case No. 23-01202, claiming it is owed approximately $8 million under the promissory note and claiming entitlement to return of $15.33 million paid as deposit. Mawson denies that Celsius Mining LLC is entitled to the relief it seeks in the adversary proceeding and is actively defending the matter. Mawson sought to have the matter removed from the adversary proceeding to arbitration based on the arbitration clause contained in one of the transaction's agreements. Celsius opposed the removal and the matter was heard before the Court. On February 27, 2024, the Court ruled in part that the claims regarding the co-location agreement could be arbitrated, but the claims for the promissory note would stay before the Court. The Court appointed a litigation administrator to handle the claims arising out of the promissory note. Mawson is appealing this decision. Many of the related claims and disputes between Celsius and Mawson have been disclosed in more detail in Mawson's previous filings with the SEC.

On October 16, 2023, Mr. Ariel Sivikofsky, who was previously engaged to provide CFO-related services to the Company, filed a claim against an Australian subsidiary Mawson Infrastructure Group Pty Ltd (MIG), and against Michael Hughes, Director of the Company, and Tom Hughes, General Counsel of the Company, in the Australian Federal Circuit and Family Court of Australia in relation to certain employment related claims. The applicant's total claim is for up to AUD$216,980. MIG and the individual defendants dispute the claims, and denies Mr. Sivikofsky was an employee. On November 1, 2023, the proceedings against MIG were stayed pursuant to section 440D of the Corporations Act 2001 (Cth) (Corporations Act) on the grounds that MIG had been placed into voluntary administration. The proceedings against Michael Hughes and Tom Hughes have been settled.

On December 22, 2023, Mawson Infrastructure Group Inc. and Luna Squares LLC made formal demand on CleanSpark Inc. and CSRE Properties Sandersville, LLC for $2,000,000 for breach of contract for failing to pay for an energy earnout provision contained in the Purchase and Sale Agreement dated September 8, 2022, between the parties. Subsequently, on January 12, 2024, Mawson and Luna filed notice of its claim for formal arbitration before the American Arbitration Association. The arbitration is proceeding.

On March 28, 2024, the Company was made a defendant in a civil suit before the Supreme Court of NSW, Sydney Australia, in the matter entitled "W Capital Advisors Pty Ltd in its capacity as trustee for the W Capital Advisors Fund v. Mawson Infrastructure Group, Inc.", Docket No. 2024/00117331, alleging a claim to seek US$166,218.60 as unpaid interest under a convertible note after the Company paid in full the principal of $500,000, and AUD$298,926.30 under a loan deed, plus interest and costs for sums due claiming corporate guarantee by the Company for a "Variation Deed to Loan Deed" dated September 29, 2022, executed by its Australian subsidiary, Mawson Infrastructure Group Pty Ltd. The company denies that the claimant is entitled to the relief it seeks and will actively defend its interests in the matter in due course. As noted previously in an 8-K filed on March 29, 2024, The Company, pursuant to Australian law, on March 28, 2024, sent a preliminary discovery notice to W Capital to obtain documents and to investigate if W Capital is a related party to Mr. James Manning, the Company's former director and executive, and to investigate and ascertain if transactions between W

Capital Advisors Pty Ltd and the Company were related party transactions.

The Company and some of its subsidiaries are currently in disputes, as outlined below. These disputes may lead to litigation.

On January 8, 2024, a commercial demand was made Flynt ICS Pty Ltd to a Mawson Australian subsidiary, MIG No. 1 Pty Ltd (on March 19, 2024, MIG No.1 Pty Ltd was placed into a court appointed liquidation and wind-up process, as disclosed in note 15 subsequent events), for $129,930, for sums due under a service agreement.

On February 1, 2024, a former independent contractor, Noam Danenberg, through his professional company, N. Danenberg Holding (2000) Ltd, apparently filed a civil suit in Tel Aviv Israel against Mawson Infrastructure Group, Inc. for $90,000 in wages and other benefits. Mawson has never been formally served nor has it submitted to jurisdiction in Israel.

On October 30, 2023, the directors of the Australian subsidiary, Mawson Infrastructure Group Pty Ltd ("Mawson AU") appointed voluntary administrators to Mawson AU. Voluntary administration is a process under Australian corporate law where an external administrator is appointed to take control of the relevant entity, investigate and report to creditors about the relevant entity's business, property, affairs and financial circumstances, and report on the options available to creditors. It is not a court process. On November 3, 2023, W Capital Advisors appointed receivers and managers under the terms of their security relating to their working capital facility. Neither of these processes are governed by the courts.

On January 3, 2024, W Capital put Mawson on notice of its intent to collect what it asserts are past due amounts for the following claims as of December 31, 2023: (a) principal and interest payable on the Loan Amount advanced to Mawson under a variation deed, amounting to $1.30 million (AU $1.90 million); (b) the principal amount advanced under the Convertible Note, amounting to $0.50 million; and (c) interest payable on the principal amount advanced under a convertible note, amounting to $0.07 million. W Capital is also demanding issuance of the 1,500,000 registered shares by MIGI. The Company actively denies these claims but has agreed and did pay to W Capital $0.50 million on March 6, 2024, reserving its rights as they pertain to W Capital's claims for the additional AU$1.30 million and 1,500,000 in registered stock.

Other than as described above, we are currently not, and have not been in the recent past, a party to any litigation which may have or have had in the recent past significant effects on our financial position or profitability. However, we have been in the past, and from time to time in the future, may be involved in certain litigation related to our businesses. For example, the Company and its subsidiaries receive letters of demand for payments from time to time which could lead to legal proceedings.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

Market Information

Our Common Stock, par value $0.001, trades on The Nasdaq Stock Market LLC under the symbol "MIGI".

Holders

As of March 26, 2024, there were approximately 118 stockholders on record of our common stock. The actual number of beneficial owners of our stock is greater than this number of record holders because there are beneficial owners whose shares are held in street name by brokers and other nominees.

Dividend Policy

We have not paid any cash dividends on our Common Stock and do not anticipate paying any cash dividends on our Common Stock in the foreseeable future. We intend to retain future earnings to fund ongoing operations and future capital requirements of our business. Any future determination to pay cash dividends will be at the discretion of our Board of Directors ("Board") and will be dependent upon our financial condition, results of operations, capital requirements and such other factors as our Board deems relevant. Our ability to pay cash dividends is subject to limitations imposed by state law.

Unregistered Sales of Equity Securities and Use of Proceeds

During the year ended December 31, 2023, there were no other unregistered sales of our securities that were not reported in a Current Report on Form 8-K or our Quarterly Reports on Form 10-Q.

Purchase of Equity Securities by the Issuer and Affiliated Purchasers

We did not repurchase any securities in the fourth quarter of the fiscal year covered by this Annual Report.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion of our financial condition and results of operations for the years ended December 31, 2023 and 2022, should be read in conjunction with our consolidated financial statements and the notes to those statements that are included elsewhere in this Annual Report on Form 10-K. This discussion and analysis contain forward-looking statements that involve risks, uncertainties and assumptions. The actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including, but not limited to, those set forth under "Risk Factors" and elsewhere in this Annual Report. All amounts are in U.S. dollar unless otherwise stated.

Pursuant to that certain Certificate of Amendment to the Certificate of Incorporation of the Company dated February 6, 2023 Mawson executed at a ratio of 1-6 reverse stock split of its outstanding Common Stock and reduced its authorized common stock to 90,000,000 shares, as set forth in the Company's Current Report on Form 8-K filed February 9, 2023.

Business overview

Mawson Infrastructure Group Inc. (the “Company” or “Mawson” or “we”) is a digital infrastructure company headquartered in the United States.

The Company has 3 primary businesses – digital currency mining, co-location and related services, and energy markets.

The Company develops and operates digital infrastructure for digital currency, such as bitcoin, mining activities on the Bitcoin blockchain network. The Company also provides digital infrastructure services for its co-location services customers that use computational machines to mine bitcoin through our data centers and the Company charges for the use of its digital infrastructure and related services. The Company also has an energy markets program through which it can receive net energy benefits in exchange for curtailing the power we utilize from the grid in response to instances of high electricity demand. As of the date of this Annual Report, we operate two data center facilities in Pennsylvania, USA.

The Company may also transact in digital currency mining, data center infrastructure and related equipment on a periodic basis, subject to prevailing market conditions.

The Company designs, develops, operates and manages its digital infrastructure to responsibly support the Bitcoin network by contributing to the scale, structure, and decentralization of the Bitcoin network and optimizing energy consumption. The Company helps contribute to the ecosystem and growth of digital currencies and commodities as there continues to be a global transition to the new digital economy.

We strive to operate and invest in markets and communities that offer low or zero-carbon renewable energy sources and participate in energy management activities. We also invest in the communities in which we operate to support our broader ecosystem.

Bitcoin mining and co-location power capacity

Towards the close of 2023, Mawson’s two Pennsylvania sites, Midland and Bellefonte had approximately 109 MW of total power capacity capable of supporting 35,650 miners for either self-mining or co-location services. The Midland facility had approximately 100 MW of total power and the capacity to support a total of approximately 32,930 miners for self-mining and/or co-location services. As of December 31, 2023, the Bellefonte facility was operating at approximately 8.8 MW of capacity and continues to be used entirely for self-mining purposes.

Recent Developments.

On October 4, 2023, the Company received written notice from The Nasdaq Stock Market LLC (“Nasdaq”) indicating that the Company was not in compliance with the $1.00 minimum bid price requirement for continued listing on The Nasdaq Capital Market, as set forth in Nasdaq Listing Rule 5550(a)(2) (the “Bid Price Rule”). In accordance with Nasdaq Listing Rule 5810-2(c)(3)(A), the Company had a period of 180 calendar days, or until April 1, 2024, to regain compliance with the Bid Price Rule. To regain compliance, the closing bid price of the Company’s Common Stock had meet or exceed $1.00 per share for a minimum of ten consecutive business days during this 180-day period. On December 19, 2023, the Company received formal written notice from Nasdaq indicating that the Company had regained compliance with the Bid Price Rule.

On October 12, 2023, the Company entered into a new Service Framework Agreement with a wholly owned subsidiary of Consensus Technology Group, Consensus Colocation PA LLC, for co-location services for approximately 15,876 Bitmain Antminer S19 XP miners or approximately 50 MW at Mawson’s Midland, Pennsylvania facilities (the “Service Framework Agreement”). The Service Framework Agreement has the Company providing co-location services to the customer for 12 months and the parties can extend further upon mutual agreement.

On December 26, 2023, the Company entered into an additional Addendum to the Employment Agreement between the Company and Rahul Mewawalla, the Company’s Chief Executive Officer and President, dated May 22, 2023 (the “Addendum B”). The Addendum B is intended to reflect that the Company did not make certain equity grants and compensation per the terms and timelines it was obligated to Mr. Mewawalla and provides benefits to Mr. Mewawalla to compensate Mr. Mewawalla . The Addendum B provides for Mr. Mewawalla receiving fully vested restricted stock unit awards and compensation in calendar year 2024, but no later than October 31, 2024, as per the Addendum B. The Addendum B also updates certain provisions of the Employment Agreement as per the Addendum B.

On February 2, 2024, the Company’s lease for property in Sharon, Pennsylvania was terminated, and as of March 2024 the Company has moved completely out of the facility, which was a non-operating site.

Mr. James Manning, who stepped down as Chief Executive Officer of the Company effective May 22, 2023, had agreed with Mawson AU that he would be issued 1.35 million RSUs and his other RSU agreements and entitlements would be cancelled, as set forth in the Company’s Current Report on Form 8-K filed May 25, 2023. The Company’s Audit Committee of the Board commenced an investigation in the third quarter of 2023 into potential related party transactions involving former Board member and CEO, Mr. James Manning, including but not limited to Mr. Manning’s failure to appropriately disclose certain related party transactions, late or incomplete disclosure of certain transactions, and a failure to confirm to the Company’s satisfaction that the disclosures made about related party transactions were complete. Following the investigation, the Audit Committee reported its initial findings to the Board on February 15, 2024. Based on the information obtained to date and Mr. Manning’s repeated refusal to either provide a full and complete disclosure of his related party transactions (or confirm the accuracy of prior related party disclosures provided to the Company) the Audit Committee determined that there is a prima facie basis to conclude that Mr. Manning did not fully and properly disclose his related party transactions to the Company. Based on this determination, the Board resolved on February 19, 2024, that certain RSUs and other equity grants provided for in Mr. Manning’s May 2023 Separation Agreement should not be issued by the Company.

Results of Operations

Revenues

Digital currency revenues from self-mining of bitcoin for the year ended December 31, 2023 and 2022, were $21.59 million and $43.11 million respectively. This represented a decrease of $21.52 million or 50% over the prior year period. The decrease in self-mining revenue for 2023 was primarily attributable to a decrease in the total bitcoin produced given amongst other reasons, the change in the Company’s portfolio of operating facilities. During 2023, the Company had operations across its two Pennsylvania facilities, whereas 2022 included the operations of the Georgia facility, which was sold by the Company in October 2022. The sale of the Georgia facility included the sale of 6,468 miners. Due to the change in portfolio of operating facilities, consequently less miners were deployed during 2023. Bitcoin produced in 2023 totaled 741.33 compared with 1,342.59 in the 2022 period, a decrease of 45% of bitcoin produced over the respective period. The average price of bitcoin during both the year ended December 31, 2023, and 2022 remained relatively consistent. During the year ended December 31, 2023, the average price of bitcoin was $28,893 whereas the average price of bitcoin during year ended December 31, 2022 was $28,205.

Co-location services revenue for the years ended December 31, 2023 and 2022, were $16.36 million and $13.34 million, respectively. This 23% year over year increase was due to an increase in the number of miners we co-located during 2023. The Company announced the Service Framework Agreement on October 19, 2023, providing co-location services to a subsidiary of Consensus Technology Group LLC for 50 MW. The Company also announced on December 19, 2023, it had signed another new customer co-location agreement with Krypton Technologies LLC for 6 MW, both these agreements replace the Customer Equipment Co-Location Agreement the Company's subsidiary, Luna Squares LLC, had with Celsius Mining LLC, which expired on August 23, 2023.

Net energy benefits for the years ended December 31, 2023 and 2022, were $5.35 million and $13.70 million, respectively. This represented a decrease of $8.35 million or a 61% decrease. This decrease is due to the Company participating less in the energy programs in 2023 because of lower power prices than in 2022.

Sales of digital mining equipment for the years ended December 31, 2023 and 2022, were $0.26 million and $14.24 million, respectively.

Operating costs and expenses

Our operating costs and expenses include cost of revenues; selling, general and administrative expenses; stock based compensation; change in fair value of derivative asset; and depreciation and amortization.

Cost of revenues

Our cost of revenue consists primarily of direct power costs related to digital currency mining and co-location services and cost of mining equipment sold.

Cost of revenue for the years ended December 31, 2023 and 2022, were $28.56 million and $47.7 million, respectively. The decrease in cost of revenue was primarily attributable to a decrease in power costs related to energy used to operate our self-mining equipment and co-location services. This decrease is attributable to the change in the Company's portfolio of operating facilities in 2023, where the Company had operations across its two Pennsylvania facilities, whereas the prior period included the operations of the Georgia facility including 6,468 miners, which was sold by the Company in October 2022.

Selling, general and administrative

Our selling, general and administrative expenses consist primarily of professional and management fees relating to: employee compensation, audit; legal; equipment repairs; marketing; freight; insurance; consultant fees; lease amortization and general expenses.

Selling, general and administrative expenses for the years ended December 31, 2023 and 2022, were $19.18 million and $25.85 million, respectively. Total selling, general and administrative expenses were lower by $6.67 million in 2023. Some of the main factors contributing to the decrease in the expenses were lower payroll costs that decreased by $0.51 million; consultant fees that decreased by $0.73 million; marketing costs that decreased by $1.05 million; while contract labor costs decreased by $1.34 million; and equipment repairs decreased by $2.30 million, as a result of the cost reduction actions that the Company had undertaken during 2023.

Stock based compensation

Stock based compensation expenses for the years ended December 31, 2023 and 2022, were $10.83 million and $3.01 million, respectively. In the year ended December 31, 2023, stock based compensation was largely attributable to costs recognized for warrants issued to Celsius Mining LLC amounting to $1.84 million, shares issued to W Capital Advisors Pty Ltd amounting to $0.31 million for consultancy and advisory work and $9.60 million in relation to the Company's employees' long-term incentive plans. Whereas in December 31, 2022, share based payments were largely attributable to costs recognized for warrants issued to Celsius Mining LLC amounting to $1.67 million and $1.26 million in relation to long-term incentives for the Company's leadership team.

Depreciation and amortization

Depreciation consists primarily of depreciation of digital currency mining hardware and MDC equipment.

Depreciation and amortization for the years ended December 31, 2023 and 2022, were $38.08 million and $63.20 million, respectively. The decrease is primarily attributable to the Company owning less miners in 2023 following the sale of its Georgia facilities in October 2022. There was also a revised estimate of the useful life of miners effective on December 1, 2022, to better reflect the pattern of consumption, and the method of depreciation was changed from reducing balance to the straight line method from that date.

Change in fair value of derivative asset

During the years ended December 31, 2023 and 2022, there was a loss on the fair value of the derivative asset by $7.24 million and a gain of $11.30 million, respectively, in relation to our power supply arrangements. The loss on the derivative asset in the current year is due to the fall in the price of energy costs combined with less time remaining on the power supply agreement.

Non-operating expense

Non-operating expenses consist primarily of interest expense, losses on foreign currency transactions, impairment of financial assets, share of losses of equity accounted investments and other expenses.

Interest expense for years ended December 31, 2023 and 2022, were $3.05 million and $6.06 million, respectively. This was a decrease of $3.01 million, which was attributable to the paydown of debt during 2023.

During the year ended December 31, 2023 the Company recognized an impairment of $1.84 million for the equity accounted investment in Tasmania Data Infrastructure Pty Ltd ("TDI"). The impairment was recognized on the basis of TDI's updates and its change in strategic direction, including changing from being a bitcoin miner to mine copper and gold and therefore the value of the company was deemed much lower than our investment value. During the year ended December 31, 2022, the Company recognized an impairment of $3.38 million of which $2.06 million related to the equity accounted investment TDI, $1.13 million related to the equity accounted investment Cosmos Asset Management Pty Ltd and $0.19 million was in relation to the deconsolidation of the Wize Entities.

During the years ended December 31, 2023 and 2022, the realized and unrealized loss on foreign currency transactions was $1.74 million and $6.67 million, respectively. This movement was due to the movement in foreign exchange rates.

Non-operating income

Non-operating income consists primarily of profit on sale of site assets, gain on sales of marketable securities, gain on deconsolidation and other income.

The profit on sale of site for the years ended December 31, 2023 and 2022, were $3.35 million and $8.28 million, respectively. The 2023 amounts related to the sale of the Luna Squares Texas LLC along with 59 transformers. Whereas the 2022 amount relates to the sale of our Georgia bitcoin mining site which was sold to CleanSpark Inc. on October 7, 2022.

The gain on sales of marketable securities for the years ended December 31, 2023 and 2022, were $1.44 million and $0, respectively. The gain during the year ended December 31, 2023 was in relation to the sale of CleanSpark, Inc shares.

During the year ended December 31, 2023, the Company recognized a deconsolidation gain of $9.47 million. This gain was as a result of Mawson Infrastructure Group Pty Ltd going into voluntary administration and accordingly the subsidiary was deconsolidated. The deconsolidation gain recorded was as a result of removing the net assets and certain liabilities of this subsidiary from the consolidated financial statements. See Note 3 Subsidiary Deconsolidation for further discussion.

Net loss available to Common Shareholders

As a result of the foregoing, the Company recognized a net loss for the years ended December 31, 2023 and 2022, of $60.42 million and $52.76 million, respectively.

Non-GAAP Financial Measures

The Company utilizes a number of different financial measures, both GAAP and non-GAAP, in analyzing and assessing its overall business performance, for making operating decisions and for forecasting and planning future periods. The Company considers the use of non-GAAP financial measures helpful in assessing its current financial performance, ongoing operations and prospects for the future. While the Company uses non-GAAP financial measures as a tool to enhance its understanding of certain aspects of its financial performance, the Company does not consider these measures to be a substitute for, or superior to, the information provided by GAAP financial measures. Consistent with this approach, the Company believes that disclosing non-GAAP financial measures to the readers of its financial information provides such readers with useful supplemental data that, while not a substitute for GAAP financial measures, allows for greater transparency in the review of its financial and operational performance. Investors are cautioned that there are inherent limitations associated with the use of non-GAAP financial measures as an analytical tool. In particular, non-GAAP financial measures are not based on a comprehensive set of accounting rules or principles and many of the adjustments to the GAAP financial measures reflect the exclusion of items that are recurring and will be reflected in the company's financial results for the foreseeable future. In addition, other companies, including other companies in the Company's industry, may calculate non-GAAP financial measures differently than the Company does, limiting their usefulness as a comparative tool.

The Company is providing supplemental financial measures for (i) non-GAAP adjusted earnings before interest, taxes, depreciation and amortization, or ("adjusted EBITDA") that excludes the impact of interest, income tax, depreciation, amortization, stock based compensation expense, change in fair value of derivative asset, impairment of financial assets, unrealized gains/losses, share of net loss of equity method investments, gain on deconsolidation and certain non-recurring expenses. We believe that adjusted EBITDA is useful to investors in comparing our performance across reporting periods on a consistent basis where one-time, or non-recurring gains or losses or expenses unrelated to operating activities would otherwise mask the Company's operating performance.

	For the Years Ended December 31,	
	2023	**2022**
Reconciliation of non-GAAP adjusted EBITDA:		
Net loss:	$ (58,545,093)	$ (54,035,559)
Impairment of financial assets	1,837,063	3,375,230
Share of net loss of equity method investments	36,356	1,254,025
Depreciation and amortization	38,080,506	63,200,178
Stock based compensation	10,834,838	3,012,480
Losses on foreign currency transactions	1,738,845	6,673,124
Other non-operating income	(517,918)	(2,401,555)
Other non-operating expenses	3,445,461	7,624,435
Change in fair value of derivative asset	7,241,883	(11,299,971)
Fair value loss on investments	-	1,694,388
Income tax	5,948,619	-
Gain on deconsolidation	(9,472,976)	-
EBITDA (non-GAAP)	**$ 627,584**	**$ 19,096,775**

	For the Quarters Ended December 31,	
	2023	**2022**
Revenue	$ 14,020,930	$ 16,852,208
Cost of revenues (excluding depreciation)	(9,136,465)	(6,759,938)
Gross Profit	**4,884,465**	**10,092,270**
Reconciliation of non-GAAP adjusted EBITDA:		
Net Profit/(loss):	(10,179,181)	(18,808,069)
Impairment of financial assets	-	2,240,682
Share of net loss of associates accounted for using the equity method	-	1,254,025
Depreciation and amortization	9,454,968	17,138,505
Stock based compensation	5,358,903	887,806

Unrealized and realized (gain)/losses	322,909	310,530
Other non-operating income	(272,223)	(469,603)
Other non-operating expenses	1,156,224	3,263,618
Fair value loss on investments	-	1,694,388
Change in fair value of derivative asset	595,520	10,083,933
Income tax	3,644,165	-
Gain on deconsolidation	(9,472,976)	-
EBITDA (non-GAAP)	**$ 608,309**	**$ 17,595,815**

Liquidity and Capital Resources

General

Liquidity is the ability of a company to generate funds to support its current and future operations, satisfy its obligations, and otherwise operate on an ongoing basis. Significant factors in the management of liquidity are funds generated by operations, levels of accounts receivable and accounts payable and capital expenditures. For the year ended December 31, 2023, we financed our operations primarily through:

1. Net cash used in operating activities of $2.55 million;

2. On September 2, 2022, Mawson AU entered into a Secured Loan Facility Agreement with W Capital Advisors Pty Ltd with a total loan facility of AUD $3.00 million (USD $1.9 million). This was amended on September 29, 2022, and the loan facility was increased to AUD$8.00 million (USD $5.2 million). During the year ended December 31, 2023 the Company received AUD $3 million (USD $1.99 million) from this loan facility. As of December 31, 2023, AUD $1.68 million (USD $1.15 million) has been drawn down from this facility. The Secured Loan Facility expired in March 2023, and remains outstanding. W Capital Advisors Pty Ltd and Mawson AU each reserved their rights. On October 30, 2023, the directors of this Australian subsidiary Mawson AU appointed voluntary administrators to Mawson AU. On November 3, 2023, W Capital Advisors appointed receivers and managers under the terms of their security relating to their working capital facility. All of Mawson AU's debts, other than the Secured Loan Facility will be managed as part of the voluntary administration. Refer to note 3 subsidiary deconsolidation for further information.

3. On May 27, 2022, the Company entered into an At the Market Offering Agreement (the "ATM Agreement") with H.C. Wainwright & Co., LLC ("Wainwright"), and filed a prospectus supplement, to sell shares of our Common Stock through an "at the market offering" program as defined in Rule 415 promulgated under the Securities Act of 1933, as amended. Effective May 4, 2023, the Company filed a prospectus supplement to amend, supplement and supersede certain information contained in the earlier prospectus and prospectus supplement, which reduced the number of shares of common stock the Company may offer and sell under the ATM Agreement to an aggregate offering price of up to $9 million from time to time. During the year ended December 31, 2023, 415,271 shares were issued as part of the ATM Agreement for cash proceeds of $1.19 million, net of issuance costs. All of these shares were sold prior to May 3, 2023, when, in connection with the sale of its stock to institutional investors, the Company entered a contractual restriction from issuing any stock under its ATM Agreement until November 7, 2023. Sales of shares of Common Stock pursuant to the ATM Agreement are currently dormant, have been dormant since May 3, 2023, and are not expected to be re-started until at least August of 2024, when the Company expects to regain eligibility to use Form S-3 registration statements. After the Company regains eligibility to use Form S-3 registration statements, the Company still expects to be limited by General Instruction I.B.6 of Form S-3, which is referred to as the "baby shelf" rules.

4. On May 3, 2023, the Company entered into a definitive agreement with institutional investors for the issuance and sale of 2,083,336 shares of its common stock (or pre-funded warrants in lieu thereof) at a purchase price of $2.40 per share of common stock in a registered direct offering. In addition, in a concurrent private placement, the Company issued to the institutional investors unregistered warrants to purchase up to 2,604,170 shares of its common stock with an exercise price of $3.23 per share, which are exercisable nine months following issuance for a period of five and one-half years following issuance. The shares of common stock and pre-funded warrants described above were offered and sold by the Company pursuant to a "shelf" registration statement on Form S-3 (File No. 333-264062). The warrants to purchase common stock described above were offered and sold by the Company pursuant to Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder. This offering closed on May 8, 2023. The net amount raised was $4.60 million.

During the year ended December 31, 2023, we repaid $12.46 million of principal payments against the historical facilities provided by Celsius, Marshall and W Capital Advisors Pty Ltd.

We believe our working capital requirements will continue to be funded through a combination of the cash we expect to generate from future operations, our existing funds, external debt facilities that may be available to us, further issuances of shares, and other potential sources of capital, monetization or funds. These are expected to be adequate to fund our operations over the next twelve months. For our business to grow it is expected, we may continue investing in mining equipment and infrastructure and will require additional working capital in the short-term and long-term. As of December 31, 2023, we had an aggregate of $19.35 million of debt of which $16.87 million is overdue for repayment and the remaining is all required to be repaid within two months of December 31, 2023 unless we refinance or renegotiate the terms. In addition, the Celsius deposit of $15.33 million is the subject of an ongoing legal dispute.

Working Capital and Cash Flows

As of December 31, 2023 and 2022, we had a cash and cash equivalent balance of $4.48 million and $0.95 million, respectively. The Company expects to continue to focus on improving its cash flows through a number of various activities that should better position our future cash position.

As of December 31, 2023 and 2022, the trade receivables balance was $12.11 million and $10.46 million, respectively.

As of December 31, 2023, we had $19.35 million of outstanding short-term borrowings, and as of December 31, 2022, we had $23.61 million of short-term borrowings. The short-term borrowings as of December 31, 2023, relate to Celsius Mining LLC, W Capital Advisors Pty Ltd, the secured convertible promissory notes issued to investors and Marshall Investments MIG Pty Ltd (these loans are currently in default, refer to Material Cash Requirements section below for more information). As of December 31, 2023 and 2022, we had $0 and $4.51 million, respectively, of outstanding long-

term borrowings.

As of December 31, 2023 and 2022, we had negative working capital of $33.18 million and $15.17 million, respectively.

The following table presents the major components of net cash flows (used in) provided by operating, investing and financing activities for the years ending December 31, 2023 and 2022:

	Year Ended December 31,	
	2023	2022
Net cash (used in) provided by operating activities	$ (2,545,664)	$ 14,256,294
Net cash provided by (used in) investing activities	$ 10,741,617	$ (32,540,422)
Net cash (used in) provided by financing activities	$ (4,647,279)	$ 13,986,496

For the year ended December 31, 2023, net cash used by operating activities was $2.55 million and for the year ended December 31, 2022, net cash provided in operating activities was $14.26 million. The decrease in net cash provided by operating activities was primarily attributable to timing differences in trade and other receivables and trade and other payables.

For the year ended December 31, 2023, net cash provided by investing activities was $10.74 million and for the year ended December 31, 2022, net cash used in investing activities was $32.54 million. The net cash provided by investing activities during the year ended December 31, 2023, was primarily attributable to the proceeds from sale the subsidiary Luna Squares Texas LLC and the 59 transformers, as well as the proceeds from the sale of shares in CleanSpark, Inc.

For the year ended December 31, 2023, net cash used in financing activities was $4.65 million and for the year ended December 31, 2022, net cash provided by financing activities was $13.99 million. The cash used in financing activities during the year ended December 31, 2023, was primarily attributable to the repayment of borrowings.

Material Cash Requirements

The following discussion summarizes our material cash requirements from contractual and other obligations. For more information on these matters, please see Item 3. Legal Proceedings section.

On December 9, 2021, MIG No. 1 Pty Ltd (on March 19, 2024, MIG No.1 Pty Ltd was placed into a court appointed liquidation and wind-up process, as disclosed in note 15 subsequent events) entered into a Secured Loan Facility Agreement with Marshall Investments MIG Pty Ltd. The loan matured in February 2024 and bears interest at a rate of 12% per annum (with an overdue rate provision of an additional 500bps), payable monthly with interest payments that commenced in December 2021. This loan facility is secured by direct assets of MIG No.1 Pty Ltd and a general security agreement given by the Company. Principal repayments began during November 2022. The outstanding balance is $9.10 million as of December 31, 2023, all of which is classified as a current liability. MIG No. 1 Pty Ltd has not made a principal and interest payment since May 2023. MIG No. 1 is in receivership under Australian law. All relevant parties have reserved their respective rights.

On February 23, 2022, Luna Squares LLC entered into a Co-Location Agreement with Celsius Mining LLC. In connection with this agreement, Celsius Mining LLC loaned Luna Squares LLC a principal amount of $20 million, for the purpose of funding the infrastructure required to meet the obligations of the Co-Location Agreement, for which Luna Squares LLC issued a Secured Promissory Note for repayment of such amount. The Secured Promissory Note accrues interest daily at a rate of 12% per annum (with an overdue rate provision of an additional 200bps). Luna Squares LLC is required to amortize the loan at a rate of 15% per quarter, principal repayments began at the end of September 2022. The Secured Promissory Note has a maturity date of August 23, 2023, the outstanding balance is $8.54 million as of December 31, 2023, all of which is classified as a current liability. Celsius Mining LLC transferred the benefit of the promissory note to Celsius Network Ltd. Celsius Mining LLC and Celsius Network Ltd filed for Chapter 11 bankruptcy protection on July 13, 2022. Under the Co-location Agreement, Celsius Mining LLC advanced $15.33 million to Luna Squares LLC that was held as a deposit. Whether that amount has been forfeited or must be returned to Celsius Mining LLC is the subject of a dispute between the parties.

On September 2, 2022, Mawson AU entered into a Secured Loan Facility Agreement with W Capital Advisors Pty Ltd with a total loan facility of AUD $3.00 million (USD $1.9 million). This was amended on September 29, 2022, and the loan facility was increased to AUD$8.00 million (USD $5.2 million). As of December 31, 2023, AUD $1.68 million (USD $1.15 million) has been drawn down from this facility, all of which is classified as a current liability. The Secured Loan Facility accrues interest daily at a rate of 12% per annum and is paid monthly. Principal repayments are paid ad hoc in line with the loan facility agreement. The Secured Loan Facility expired in March 2023 and Mawson Infrastructure Group Pty Ltd and W Capital Advisors Pty Ltd are in ongoing discussions in respect of the facility. On October 30, 2023, Mawson AU appointed voluntary administrators, and the facility will be managed as part of the voluntary administration. Refer to note 3 subsidiary deconsolidation for further information.

On July 8, 2022, the Company issued secured convertible promissory notes to investors in the aggregate principal amount of $3.60 million (the “Secured Convertible Promissory Notes”) in exchange for an aggregate of $3.60 million in cash. On September 29, 2022, the Company entered into a letter variation relating to some of the Secured Convertible Promissory Notes, with an aggregate principal amount of $3.1 million, which gave those holders the option to elect for pre-payment (including accrued interest to maturity) subject to certain conditions. All of the investors included in this letter variation elected for the pre-payment option and therefore there were $3.1 million principal repayments made during November 2022. The final convertible noteholder who was not a party to this variation opted to enter into an arrangement whereby it received pre-payment of interest but agreed that repayment of the principal was not required therefore the remaining $0.50 million has been classified as a current liability. The convertible note matured in July 2023 and the Company has not repaid the principal amount as of December 31, 2023. Interest has been accrued from July onwards and therefore the outstanding balance is $0.57 million as of December 31, 2023, all of which is classified as a current liability. During March 2024 the principal amount outstanding of $0.50 million was repaid to the investor.

Financial condition

As of December 31, 2023, and 2022, we had net current liabilities of $33.18 million and $15.17 million, respectively. As of December 31, 2023 and 2022, we had net assets of $30.38 million and $76.17 million, respectively. As of December 31, 2023, we had an accumulated deficit of $182.67 million compared to $122.26 million as of December 31, 2022. Our cash position of December 31, 2023, was $4.48 million in comparison to $0.95 million as of December 31, 2022. For the years ended December 31, 2023 and 2022 the Company incurred a loss after tax of $60.42 million and a loss after tax of $52.76 million, respectively. Included in trade and other receivables is a $2 million payment being the final payment due from CleanSpark, Inc for the sale of the Georgia facility. CleanSpark, Inc has disputed this payment. On December 22, 2023, the Company made formal demand on CleanSpark Inc. and CSRE Properties Sandersville, LLC for $2,000,000 for breach of contract on the debtors’ obligation to pay for an energy earnout provision contained in a Bill of Sale dated October 1, 2022 between the parties. Subsequently, on January 12, 2024, Mawson and Luna filed notice of its claim for formal arbitration before the American Arbitration Association. The arbitration is proceeding.

Our primary requirements for liquidity and capital are working capital, capital expenditures, public company costs and general corporate needs. In particular, we have large power usage costs, and other significant costs include our lease, operational and employee costs. We expect these capital and liquidity needs to continue as we further develop and grow our business. Our principal sources of liquidity have been and are expected to be our cash and cash equivalents, external debt facilities available to us and further issuances of shares.

We require additional capital to respond to near-term debt repayment obligations, competitive pressure, market dynamics, new technologies, customer demands, business opportunities, challenges, potential acquisitions or unforeseen circumstances, and we will likely need to determine to engage in equity or debt financings in the short term. If we are unable to obtain adequate financing on terms satisfactory to us when we require it, our ability to continue to fund, grow or support our business model and to respond to business challenges could be significantly limited, our business, financial condition and results of operations could be adversely affected, and this may result in bankruptcy or our ceasing operations.

The Company is taking steps to preserve cash by optimizing costs and negotiating with suppliers to improve their terms of trade. The Company has been improving its revenue generation by improving the efficiency of its operations and adding co-location services customers. The Company will continue to seek to optimize its cashflows.

Recently Issued Accounting Pronouncements

For information with respect to recent accounting pronouncements, see Note 2 to our Consolidated Financial Statements included in this Annual Report on Form 10-K for the year ended December 31, 2023.

Critical Accounting Estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the amounts reported in the financial statements and accompanying notes. The Company evaluates on an ongoing basis its assumptions. The Company's management believes that the estimates, judgments, and assumptions used are reasonable based upon information available at the time they are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the consolidated financial statements, and the reported amounts of income and expenses during the reporting periods. Actual results could differ from those estimates. The Company has considered the following to be significant estimates made by management, including but not limited to, going concern assumptions, estimating the useful lives of fixed assets, realization of long-lived assets, unrealized tax positions and the realization of digital currencies, valuing the derivative asset classified under Level 3 fair value hierarchy, and the contingent obligation with respect to future revenues.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

As a smaller reporting company, we have elected not to provide the disclosure required by this item.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

All information required by this item is included in Item 15 of Part IV of this Annual Report and is incorporated into this item by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

The Company previously announced on November 14, 2022, that LNP Audit and Assurance International Pty Ltd ("LNP"), the Company's independent registered public accounting firm, had informed the Company that it would decline to stand for re-appointment after completion of the audit for the year ending December 31, 2022.

On April 5, 2023, on the recommendation of the Company's Audit Committee, and the Board of Directors approval, the Company engaged Wolf & Company, P.C. as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2023.

The financial statements of the Company for the fiscal years ended December 31, 2022 and 2021, did not contain any adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principles.

During the Company's fiscal year ended December 31, 2021, and through to the fiscal year ended December 31, 2022, there were no disagreements between the Company and LNP on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of LNP, would have caused LNP to make reference to the subject matter of the disagreements in connection with its audit reports on the Company's financial statements.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial officer), has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a- 15(e)) and 15d- 15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of the end of the period covered by this Annual Report. Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost benefit relationship of possible controls and procedures. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were not effective at the reasonable assurance level as of December 31, 2023, due to the material weaknesses in our internal control over financial reporting described below. Management's assessment of the effectiveness of our disclosure controls and procedures is expressed at a level of reasonable assurance because management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States. Internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of our company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed our internal control over financial reporting as of December 31, 2023, the end of our fiscal year. Management based its assessment on criteria established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Management's assessment included evaluation of such elements as the design and operating effectiveness of key financial reporting controls, process documentation, accounting policies, and our overall control environment.

The material weaknesses identified are described below.

Significant Reliance on Key Individuals. There is inadequate segregation of duties in place related to our financial reporting and other management review and oversight procedures due to the lack of sufficient accounting personnel. This is not inconsistent with similar small fast-growing organizations. This gives rise to the risk of lack of ability to react in a timely manner to operations issues and meet increased GAAP/PCAOB/SOX/SEC registrant requirements. In addition, this poses the risk that compliance and other reporting obligations are not dealt with in an adequate manner.

Controls over the financial statement close and reporting process. Controls were not adequately designed or implemented in the financial statement close and reporting process. This includes controls related to complex and judgmental accounting transactions including business acquisitions and divestures, derivatives, manual journal entries, account reconciliations and financial statement policies and disclosures.

Information and Technology Controls. There are control deficiencies related to information technology ("IT") general controls that aggregate into a material weakness. Deficiencies identified include lack of controls over access to programs and data, program changes, program development, program changes and general IT controls.

Data from third parties. The Company did not properly execute its designed controls to ensure that data received from third parties is complete and accurate. Such data is relied on by the Company in determining amounts pertaining to mining and hosting revenue, net energy benefits, and cryptocurrency assets.

Fixed asset verification. The Company did not properly execute its designed controls around physical asset verification at US mining sites. Together with system limitations, restricting tracking of fixed asset movements, there is a risk around the existence of fixed assets. The root cause is the lack of sufficient, capable personnel to perform physical asset inspections, combined with system limitations.

Notwithstanding the identified material weaknesses and management's assessment that our internal control over financial reporting was not effective as of December 31, 2023, management believes that the consolidated financial statements included in this annual Report on Form 10-K fairly present, in all material respects, our financial condition, results of operations and cash flows as of and for the years presented in accordance with generally accepted accounting principles. We rely on the assistance of outside advisors with expertise in these matters in preparing the financial statements.

Remediation

Our Board of Directors and management take internal control over financial reporting and the integrity of our financial statements seriously. Our management continues to work to improve its controls related to our material weaknesses. With the oversight of senior management and our audit committee, we continue to remediate the underlying causes of the identified material weaknesses, primarily through the performance of a risk assessment process; the development and implementation of formal, documented policies and procedures, improved processes and control activities (including an assessment of the segregation of duties); as well as the hiring of additional finance personnel for specific roles such as financial reporting. During the year ended December 31, 2023, we made the following changes to our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting:

- In fiscal year 2023, management updated the initial risk assessment, refined control designs, continued the implementation of controls and performed ongoing remediation efforts to uplift the quality and effectiveness of existing controls. Remediation efforts included the implementation of disclosure controls (including the appointment of a Disclosure Committee), the implementation of new IT systems and applications with robust controls, segregating duties through implementing system workflows and the hiring of qualified personnel in financial reporting and IT. A small number of controls remain to be implemented in the upcoming financial year.

Whilst controls have been implemented across all business processes and are operating, the material weaknesses in our internal control over financial reporting will not be considered remediated as controls did not operate effectively on a consistent basis or did not operate for a sufficient period of time up to the end of the financial year, to be tested for and concluded on for effectiveness.

Remediation efforts for upcoming financial year will be focused on refining and implementing the remainder of controls, uplifting the effectiveness of existing controls and validating the effectiveness of implemented controls using criteria set forth by COSO. We cannot provide any assurance that these remediation efforts will be successful or that our internal control over financial reporting will be effective as a result of these efforts. In addition, we continue to evaluate and work to improve our internal control over financial reporting related to the identified material weaknesses, management may determine to take additional measures to address control deficiencies or determine to modify the remediation plan described above.

Changes in internal control over financial reporting

Except for the remedial measures described above, there have been no other changes in our internal control over financial reporting (as defined in Rules 13a-15(f) or 15d-15(f) of the Exchange Act) that occurred during the most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures and Internal Control over Financial Reporting

In designing and evaluating the disclosure controls and procedures and internal control over financial reporting, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures and internal control over financial reporting must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

ITEM 9B. OTHER INFORMATION.

None .

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

Information required to be disclosed by this Item with respect to our executive officers and directors is incorporated into this Annual Report on Form 10-K by reference from the section entitled "Directors, Named Executive Officers and Corporate Governance" contained in our definitive proxy statement for our 2024 annual stockholder meeting, which we intend to file within 120 days of the end of our fiscal year ended December 31, 2023.

ITEM 11. EXECUTIVE COMPENSATION.

Information required to be disclosed by this Item with respect to our executive officers is incorporated into this Annual Report on Form 10-K by reference from the section entitled "Executive Compensation" contained in our definitive proxy statement for our 2024 annual stockholder meeting, which we intend to file within 120 days of the end of our fiscal year ended December 31, 2023.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

Information required to be disclosed by this Item with respect to our beneficial owners and management is incorporated into this Annual Report on Form 10-K by reference from the section entitled "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" contained in our definitive proxy statement for our 2024 annual stockholder meeting, which we intend to file within 120 days of the end of our fiscal year ended December 31, 2023.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, DIRECTOR INDEPENDENCE.

Information required to be disclosed by this Item with respect to our executive officers and directors is incorporated into this Annual Report on Form 10-K by reference from the section entitled "Certain Relationships and Related Transactions, and Director Independence" contained in our definitive proxy statement for our 2024 annual stockholder meeting, which we intend to file within 120 days of the end of our fiscal year ended December 31, 2023.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Information required to be disclosed by this Item is incorporated into this Annual Report on Form 10-K by reference from the section entitled "Principal Accountant Fees and Services" contained in our definitive proxy statement for our 2024 annual stockholder meeting, which we intend to file within 120 days of the end of our fiscal year ended December 31, 2023.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Index to Exhibit and Financial Statement Schedules

(1) Financial Statements.

The following consolidated financial statements are filed as part of this Annual Report:

MAWSON INFRASTRUCTURE GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2023

U.S. DOLLARS

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (PCAOB ID No. 392)

To the Stockholders and the Board of Directors of Mawson Infrastructure Group, Inc.:

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Mawson Infrastructure Group, Inc. (the "Company") as of December 31, 2023, the related consolidated statements of operations and comprehensive loss, stockholders' equity and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The financial statements of the Company for the year ended December 31, 2022, before the effects of the retrospective adjustments to apply the change in presentation related to the reverse stock split discussed in Note 12 to the consolidated financial statements, were audited by other auditors, whose report, dated March 23, 2023, expressed an unqualified opinion on those statements. We have also audited the adjustments to the 2022 consolidated financial statements to retrospectively apply the change in presentation for the reverse stock split as discussed in Note 12 to the financial statements. In our opinion, such retrospective adjustments are appropriate and have been properly applied. However, we were not engaged to audit, review, or apply any procedures to the 2022 consolidated financial statements of the Company other than with respect to the retrospective adjustments, and accordingly, we do not express an opinion or any other form of assurance on the 2022 consolidated financial statements as a whole.

Emphasis of a Matter Regarding Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has incurred net losses since its inception, and had negative working capital and will need additional funding to continue operations. This raises substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters also are described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing separate opinions on the critical audit matter or on the accounts or disclosures to which it relates.

Bitcoin Revenue Recognition

Description of the Matter:

One of the Company's revenue-generating activities is to provide bitcoin transaction verification services to the transaction requester and to the bitcoin network (i.e. mining) through operating Company-owned mining hardware, and to participate in third-party operated mining pools. The principal consideration for our determination that bitcoin revenue recognition is a critical audit matter relates to the complexity of verifying the occurrence of the transactions, determining whether the transaction was with a customer, and ensuring that revenue from mining pool operators was complete.

How We Addressed the Matter in Our Audit:

We performed the following procedures:

- Site visits at the Company's facilities where the mining hardware is located;
- Independently traced certain financial and performance data directly to the blockchain network to test the occurrence and accuracy of mining revenue of the operator;
- Certain reasonableness tests of mining pool revenue; and
- Used specialized software to verify the complete population of the Company's on-chain transactions.

Realization of Long-lived Assets Including Impairment

Description of the Matter:

The Company holds a material amount of mining equipment and determined that events or changes in circumstances indicated that their carrying value at December 31, 2023 may not be recoverable. As a result, the Company performed an impairment analysis on its mining equipment which included an estimate of future cash flows from that equipment. The principal considerations for our determination that impairment of long-lived assets was a critical audit matter include the subjectivity of various estimates included in the cash flow forecast and the complexity involved in certain of those estimates.

How We Addressed the Matter in Our Audit:

We performed the following procedures:

- Performed sensitivity analyses on key components of the estimate;
- Reviewed independent information sources to assess the reasonableness of the estimate;
- Recomputed the mathematical accuracy of key calculations within the impairment analysis;
- Evaluated the logic of the calculations included in the impairment analysis; and
- Considered information obtained subsequent to year-end.

/s/ Wolf & Company, P.C.

We have served as the Company's auditor since 2023.

Boston, Massachusetts
March 29, 2024

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (LNP AUDIT AND ASSURANCE INTERNATIONAL PTD LTD PCAOB ID NUMBER 6714)

To the Board of Directors and Stockholders of Mawson Infrastructure Group Inc.

Opinions on the Financial Statements

We have audited the accompanying consolidated balance sheets of Mawson Infrastructure Group Inc. and its subsidiaries (the "Company") as of December 31, 2022 and 2021 and the related consolidated statements of operations and comprehensive loss, of stockholders' equity and of cash flows for each of the two years in the period ended December 31, 2022 and 2021, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021 and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2022 in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principles

As discussed in Note 2 to the consolidated financial statements, the Company changed the manner in which it accounts for property and equipment in 2021.

Basis for Opinions

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal

control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinions.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Evaluation of the Recognition and Disclosure of Digital Currency Mining Revenue

As disclosed in Note 2 to the financial statements, the Company recognizes revenue in accordance with ASC 606, Revenue from Contracts with Customers. The Company provides computing power to bitcoin mining pools in exchange for the award of non-cash consideration in the form of bitcoin, which the Company measures at fair value on the date awarded.

We identified the recognition, measurement and disclosure of bitcoin mining revenue as a critical audit matter because of the complexity of auditing this revenue. This is because mining digital assets is an emerging industry with unique technological aspects that raise a number of auditing challenges and significant audit effort is required, and that there is currently no specific definitive guidance in U.S. GAAP or alternative accounting frameworks for the accounting for mining of digital currencies.

The Company has exercised significant judgement in determining appropriate accounting treatment for the recognition, measurement and disclosure of revenue from bitcoin mining operations. During the year ended December 31, 2022, the Company recognized digital currency mining revenue of approximately $43.1 million.

The primary procedures we performed to address this critical audit matter included the following:

- Evaluated the design and effectiveness of the IT general controls over the Company's IT environment and key financially relevant systems
- Evaluated the design and effectiveness of certain financial controls pertaining to the Company's processes for identifying and recognizing revenue from Bitcoin Mining
- Independently confirmed certain data and records of digital currency rewarded directly with mining pools;
- Independently confirmed certain data and records of digital currency disposed of directly with digital currency exchanges;
- Compared the Company's records of digital currency rewarded from mining activities to publicly available blockchain records;
- Evaluated management's rationale for the application of ASC 606 to account for digital currency awards earned;
- Evaluated and tested management's rationale and documentation associated with the valuation of Bitcoin awards earned; and
- Evaluated management's disclosures of its digital currency activities in the financial statements and footnotes.

LNP Audit and Assurance International Pty Ltd

/s/ Anthony Rose
Anthony Rose
Director

Sydney, NSW, Australia

March 23, 2023

MAWSON INFRASTRUCTURE GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	December 31, 2023	December 31, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	$ 4,476,339	$ 946,265
Prepaid expenses	3,556,933	3,488,868
Trade and other receivables	12,105,387	10,458,076
Assets held for sale	-	5,446,059
Total current assets	**20,138,659**	**20,339,268**
Property and equipment, net	57,740,291	91,016,498
Derivative asset	4,058,088	11,299,971
Investments, equity method	106,807	2,085,373
Marketable securities	-	3,243,957

Security deposits	415,000	2,524,065
Operating lease right-of-use asset	2,307,399	2,819,933
Total assets	**$ 84,766,244**	**$ 133,329,065**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Trade and other payables	$ 32,513,113	$ 10,572,061
Current portion of operating lease liability	1,416,310	1,300,062
Current portion of finance lease liability	33,059	30,702
Current portion of long-term borrowings	19,352,752	23,610,583
Total current liabilities	**53,315,234**	**35,513,408**
Customer deposits	-	15,328,445
Operating lease liability, net of current portion	1,016,216	1,727,975
Finance lease liability, net of current portion	50,164	83,223
Long-term borrowings, net of current portion	-	4,509,894
Total liabilities	**54,381,614**	**57,162,945**
Commitments and Contingencies		
Stockholders' equity:		
Series A preferred stock; 1,000,000 shares authorized, no shares issued and outstanding as of December 31, 2023 and 2022	-	-
Common stock, $ 0.001 par value per share; 90,000,000 shares authorized, 16,644,711 and 13,625,882 shares issued and outstanding as of December 31, 2023 and 2022, respectively	16,645	13,626
Additional paid-in capital	211,279,176	194,294,559
Accumulated other comprehensive income	608,688	5,021,467
Accumulated deficit	(182,666,465)	(122,257,628)
Total Mawson Infrastructure Group, Inc. stockholders' equity	**29,238,044**	**77,072,024**
Non-controlling interest	1,146,586	(905,904)
Total stockholders' equity	**30,384,630**	**76,166,120**
Total liabilities and stockholders' equity	**$ 84,766,244**	**$ 133,329,065**

All share amounts have been retroactively adjusted to reflect a 1-for-6 reverse stock split in February 2023.

See reports of independent registered public accounting firms and the accompanying notes to the consolidated financial statements.

MAWSON INFRASTRUCTURE GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Years Ended December 31,	
	2023	**2022**
Revenues:		
Digital currency mining revenue	$ 21,590,523	$ 43,106,162
Co-location revenue	16,364,767	13,340,143
Net energy benefits	5,354,272	13,701,242
Sale of equipment	262,158	14,237,860
Total revenues	**43,571,720**	**84,385,407**
Less: Cost of revenues (excluding depreciation)	28,557,004	47,714,895
Gross profit	**15,014,716**	**36,670,512**
Operating expenses:		
Selling, general and administrative	19,177,492	25,850,177
Stock based compensation	10,834,838	3,012,480
Depreciation and amortization	38,080,506	63,200,178
Change in fair value of derivative asset	7,241,883	(11,299,971)
Total operating expenses	**75,334,719**	**80,762,864**
Loss from operations	**(60,320,003)**	**(44,092,352)**
Non-operating income (expense):		
Losses on foreign currency transactions	(1,738,845)	(6,673,124)
Interest expense	(3,048,770)	(6,063,894)
Impairment of financial assets	(1,837,063)	(3,375,230)
Profit on sale of site	3,353,130	8,276,440
Gain on deconsolidation	9,472,976	-
Gain (loss) on sale of marketable securities	1,437,230	(4,807)
Other expenses	(396,691)	-
Fair value loss on investments	-	(1,694,388)
Other income	517,918	2,406,362
Loss on write off property, plant and equipment	-	(1,560,541)
Share of net loss of associates accounted for using the equity method	(36,356)	(1,254,025)
Total non-operating income (expense), net	7,723,529	(9,943,207)
Loss before income taxes	**(52,596,474)**	**(54,035,559)**
Income tax expenses	(5,948,619)	-
Net Loss	**(58,545,093)**	**(54,035,559)**
Less: Net (loss) gain attributable to non-controlling interests	1,876,729	(1,273,251)

Net Loss attributed to Mawson Infrastructure Group shareholders	**$ (60,421,822)**	**$ (52,762,308)**
Net Loss per share, basic & diluted	$ (3.86)	$ (4.16)
Weighted average number of shares outstanding	15,659,241	12,695,654

All share amounts have been retroactively adjusted to reflect a 1-for-6 reverse stock split in February 2023.

See reports of independent registered public accounting firms and the accompanying notes to the consolidated financial statements.

MAWSON INFRASTRUCTURE GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

	For the Years Ended December 31,	
	2023	**2022**
Net Loss	**$ (58,545,093)**	**$ (54,035,559)**
Other comprehensive income (loss)		
Foreign currency translation adjustment	(4,224,033)	5,542,561
Comprehensive loss	(62,769,126)	(48,492,998)
Less: Comprehensive loss (gain) attributable to non-controlling interests	1,876,729	(1,275,297)
Comprehensive loss attributable to common stockholders	**$ (64,645,855)**	**$ (47,217,701)**

All share amounts have been retroactively adjusted to reflect a 1-for-6 reverse stock split in February 2023.

See reports of independent registered public accounting firms and the accompanying notes to the consolidated financial statements.

MAWSON INFRASTRUCTURE GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

For the Year Ended December 31, 2023

	Common Stock (#)	Common Stock ($)	Additional Paid-in-Capital	Accumulated Other Comprehensive Income/ (Loss)	Accumulated Deficit	Total Mawson Stockholders' Equity	Non-controlling interest	Total Equity
Balance as of December 31, 2022	**13,625,882**	**$ 13,626**	**$ 194,294,559**	**$ 5,021,467**	**$ (122,257,628)**	**$ 77,072,024**	**$ (905,904)**	**$ 76,166,120**
Conversion of notes payable into common stock	104,319	104	276,855	-	-	276,959	-	276,959
Issuance of common stock in lieu of interest on borrowings	18,807	19	63,926	-	-	63,945	-	63,945
Issuance of common stock for services	93,334	93	306,976	-	-	307,069	-	307,069
Issuance of warrants	-	-	1,835,166	-	-	1,835,166	-	1,835,166
Exercising of RSUs and stock options	303,762	304	490,015	-	-	490,319	-	490,319
Stock based compensation for RSUs	-	-	8,202,283	-	-	8,202,283	-	8,202,283
Issuance of common stock, net of issuance costs	2,498,607	2,499	5,809,396	-	-	5,811,895	-	5,811,895
Net loss	-	-	-	-	(60,421,822)	(60,421,822)	1,876,729	(58,545,093)
Other comprehensive income (loss)	-	-	-	(4,412,779)	12,985	(4,399,794)	175,761	(4,224,033)
Balance as of December 31, 2023	**16,644,711**	**$ 16,645**	**$ 211,279,176**	**$ 608,688**	**$ (182,666,465)**	**$ 29,238,044**	**$ 1,146,586**	**$ 30,384,630**

All share amounts have been retroactively adjusted to reflect a 1-for-6 reverse stock split in February 2023.

See reports of independent registered public accounting firms and the accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

For the Year Ended December 31, 2022

	Common Stock (#)	Common Stock ($)	Additional Paid-in-Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Mawson Stockholders' Equity	Non-controlling interest	Total Equity
Balance as of December 31, 2021	**11,791,085**	**$ 11,791**	**$ 186,377,777**	**$ (521,094)**	**$ (71,123,259)**	**$ 114,745,215**	**$ (164,626)**	**$ 114,580,589**
Issuance of common stock, stock based compensation	3,131	3	543,480	-	-	543,483	-	543,483
Issuance of warrants	-	-	1,668,333	-	-	1,668,333	-	1,668,333
Issuance of RSU's and stock options	410,165	410	746,562	-	-	746,972	-	746,972
Issuance of common stock, net of offer costs	1,421,501	1,422	5,876,091	-	-	5,877,513	-	5,877,513
Net loss	-	-	-	-	(52,762,308)	(52,762,308)	(1,273,251)	(54,035,559)
Other comprehensive income	-	-	-	5,542,561	-	5,542,561	(2,046)	5,540,515
Non-controlling interest	-	-	(917,684)	-	1,627,939	710,255	534,019	1,244,274
Balance as of December 31, 2022	**13,625,882**	**$ 13,626**	**$ 194,294,559**	**$ 5,021,467**	**$ 122,257,628)**	**$ 77,072,024**	**$ (905,904)**	**$ 76,166,120**

All share amounts have been retroactively adjusted to reflect a 1-for-6 reverse stock split in February 2023.

See reports of independent registered public accounting firms and the accompanying notes to the consolidated financial statements.

MAWSON INFRASTRUCTURE GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,	
	2023	**2022**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (58,545,093)	$ (54,035,559)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	38,080,506	63,200,178
Amortization of operating lease right-of-use asset	1,436,186	1,619,627
Foreign exchange loss	1,644,484	1,547
Sale of intellectual property	-	(1,448,187)
Stock based compensation	10,834,838	3,012,480
Unrealized (gain) loss on derivative asset	7,241,883	(11,299,971)
Fair value loss on investments	-	1,694,471
Share of loss of equity accounted investments	36,356	1,284,398
(Gain) loss on sale of marketable securities	(1,437,230)	4,807
Loss on write off on property and equipment	-	1,560,541
Loss (gain) on disposal of property and equipment	137,427	(3,526,226)
Non- cash interest expense	1,624,537	30,502
Non-controlling interest	-	1,244,274
Profit on sale of site	(3,353,130)	-
Gain on deconsolidation	(9,472,976)	-
Impairment on equity accounted method investment	1,837,063	2,060,779
Non-cash consideration received in the form of shares	-	(7,033,825)
Changes in operating assets and liabilities:		
Trade and other receivables	(3,907,067)	(605,480)
Operating lease liabilities	(1,511,688)	-
Other current assets	2,040,999	(4,863,945)
Trade and other payables	10,767,241	21,355,883
Net cash (used in) provided by operating activities	(2,545,664)	14,256,294
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for the purchase of property and equipment	(5,352,024)	(49,978,074)
Proceeds from sale of site	8,107,508	-
Deposits received in relation to sale of Georgia site	-	27,170,531
Proceeds from sales of property and equipment	1,059,290	22,156,131
Proceeds from sale of marketable securities	6,926,843	165,316
Payment of property and equipment deposits	-	(32,054,326)
Net cash provided by (used in) investing activities	10,741,617	(32,540,422)
CASH FLOWS FROM FINANCING ACTIVITES		
Proceeds from common share issuances	6,192,845	6,698,221
Payments of stock issuance costs	(380,950)	(793,172)
Proceeds from convertible notes	-	3,600,000
Proceeds from borrowings	2,043,360	34,256,475
Repayment of finance lease liabilities	(38,176)	(1,776,144)
Repayments of borrowings	(12,464,358)	(27,998,884)

Net cash (used in) provided by financing activities	(4,647,279)	13,986,496
Effect of exchange rate changes on cash and cash equivalents	(18,600)	(223,376)
Net increase (decrease) in cash and cash equivalents	3,530,074	(4,521,008)
Cash and cash equivalents at beginning of period	946,265	5,467,273
Cash and cash equivalents at end of period	$ 4,476,339	$ 946,265
Supplemental disclosure of cash flow information		
Cash paid for interest	$ 1,424,233	$ 5,877,091
Cash paid for income taxes	$ -	$ -
Non-cash transactions		
Sale of site in exchange for shares	$ -	$ 7,048,144
Sale of property and equipment in exchange for shares	$ -	$ 3,642,113
Recognition of right of use operating asset and lease liability	$ 923,651	$ -
Accrued interest on convertible notes settled in common stock	$ 276,959	$ -

See reports of independent registered public accounting firms and the accompanying notes to the consolidated financial statements.

MAWSON INFRASTRUCTURE GROUP, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1:- GENERAL

Nature of operations

Mawson Infrastructure Group Inc. (“Mawson,” the “Company,” “we,” “us,” and “our”) is a corporation incorporated in Delaware in 2012. On March 9, 2021, the Company acquired the shares of Cosmos Capital Limited (now known as Mawson Infrastructure Group Pty Ltd and referred to herein as “Mawson AU”) in a stock for stock exchange. This transaction has been accounted for as a reverse asset acquisition. Mawson was previously known as Wize Pharma Inc, and changed its name on March 17, 2021, after the acquisition of Mawson AU. Shares of Mawson’s common stock have been listed on the Nasdaq Capital Market since September 29, 2021.

Mawson is a digital infrastructure company headquartered in the United States.

The Company has 3 primary businesses – digital currency or Bitcoin self-mining, co-location and related services, and energy markets.

The Company develops and operates digital infrastructure for digital currency, such as bitcoin, mining activities on the Bitcoin blockchain network. The Company also provides digital infrastructure services for its co-location customers that use computational machines to mine bitcoin through our data centers and the Company charges for the use of its digital infrastructure and related services. The Company also has an energy markets program through which it can receive net energy benefits in exchange for curtailing the power the Company utilizes from the grid in response to instances of high electricity demand.

The Company may also transact in digital currency mining, data center infrastructure and related equipment on a periodic basis, subject to prevailing market conditions. The Company designs, develops, operates, and manages its digital infrastructure to responsibly support the Bitcoin network by contributing to the scale, structure, and decentralization of the Bitcoin network and optimizing energy consumption. The Company helps contribute to the ecosystem and growth of digital currencies and commodities as there continues to be a global transition to the new digital economy.

We strive to operate and invest in markets and communities that offer low or zero carbon renewable energy sources and participate in energy management activities. We invest in the communities in which we operate and also support our broader ecosystem.

Throughout this filing, we use the term Bitcoin (with a capital “B”) to represent the overall concept of Bitcoin, including the technology, protocol, and the entire ecosystem. The term bitcoin (with a lower case “b”) refers to the digital bitcoin currency or token.

The Company manages and operates data centers delivering a current capacity of approximately 109 MW across two Pennsylvania sites with a pipeline of additional sites located in Ohio.

The accompanying consolidated financial statements, including the results of the Company’s subsidiaries: Mawson AU (deconsolidated on October 30, 2023, refer to Note 3), Cosmos Trading Pty Ltd, Cosmos Infrastructure LLC, Cosmos Manager LLC, MIG No.1 Pty Ltd (on March 19, 2024, MIG No.1 Pty Ltd was placed into a court appointed liquidation and wind-up process, as disclosed in note 15 subsequent events), MIG No.1 LLC, Mawson AU, Luna Squares LLC, Mawson Bellefonte LLC, Luna Squares Repairs LLC, Luna Squares Property LLC, Mawson Midland LLC, Mawson Hosting LLC, Mawson Ohio LLC and Mawson Mining LLC (collectively referred to as the “Group”), have been prepared by the Company, pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (“SEC”) and in accordance with generally accepted accounting principles in the United States (“GAAP”).

MAWSON INFRASTRUCTURE GROUP, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1:- GENERAL (Cont.)

Going concern

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern basis and in accordance with GAAP. The going concern basis of presentation assumes that the Company will continue in operation one year after the date these financial statements are issued and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

Pursuant to the requirements of the Financial Accounting Standards Board’s Accounting Standards Codification (“ASC”) Topic 205-40, *Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern*, management must evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company’s ability to continue as a going concern for one year from the date these financial statements are issued. This evaluation does not take into consideration the potential mitigating effect of management’s plans that have not been fully

implemented or are not within control of the Company as of the date the financial statements are issued. When substantial doubt exists under this methodology, management evaluates whether the mitigating effect of its plans sufficiently alleviates substantial doubt about the Company's ability to continue as a going concern. The mitigating effect of management's plans, however, is only considered if both (1) it is probable that the plans will be effectively implemented within one year after the date that the financial statements are issued, and (2) it is probable that the plans, when implemented, will mitigate the relevant conditions or events that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that the financial statements are issued.

For the year ended December 31, 2023, the Company incurred a loss after tax of $ 58.55 million, and as of December 31, 2023, had negative working capital of $ 33.17 million, had total net assets of $ 30.38 million and had an accumulated deficit of $ 182.67 million. The Company's cash position as of December 31, 2023, was $ 4.48 million.

Bitcoin prices can be volatile and the difficulty of earning bitcoin has typically trended higher over time, which means the Company typically earns less bitcoin for the same effort. In addition, the rewards that bitcoin miners earn are expected to halve (not including transaction fees) in or about April 2024. These factors are outside the Company's direct control, and the Company may not be able to practically mitigate their impact. The Company cannot predict with any certainty whether these trends will reverse or persist. In addition, the Company's miners and other mining equipment will require replacement over time as the come to the end of their useful lives to ensure that the Company can continue to competitively and efficiently produce bitcoin.

The Customer Equipment Co-Location Agreement the Company's subsidiary, Luna Squares LLC (Luna), had with Celsius Mining LLC (the "Co-Location Agreement"), expired on August 23, 2023 . Celsius Mining LLC is currently in default on payments under the Co-Location Agreement to Luna Squares LLC. On July 13, 2022, Celsius Mining LLC and its other affiliated debtors (collectively here "Celsius") filed for bankruptcy relief under Chapter 11 in the United States Bankruptcy Court. Celsius has failed to pay approximately $ 6.95 million of unpaid co-location invoices, but due to Celsius's Ch. 11 bankruptcy, $ 1.84 million of that $ 6.95 million are considered pre-petition amounts, for which Luna is a general unsecured creditor, and $ 5.11 million of that $ 6.95 million are considered post-petition amounts due and payable to Luna for which Luna has filed a proof of claim. Celsius has commenced the process of making distributions under its plan approved by the Court on January 31, 2024. Luna expects payment of its claims and continues to monitor the status of this matter.

NOTE 1:- GENERAL (Cont.)

Going concern (Cont.)

In addition, Celsius and Luna Squares LLC have made certain allegations and counter-allegations against each other claiming it is owed approximately $ 8 million under the promissory note and claiming entitlement to return of $ 15.33 million paid as deposit. Mawson denies that Celsius is entitled to the relief it seeks in the adversary proceeding and is actively defending the matter, refer to note 2 *Legal and other contingencies* for further information.

The Company announced on October 19, 2023, that it had signed a new customer co-location agreement with a subsidiary of Consensus Technology Group LLC for 50MW. The Company also announced on December 19, 2023, it had signed another new customer co-location agreement with Krypton Technologies LLC for 6 MW, both these agreements replace the expired agreement with Celsius Mining LLC.

A subsidiary of the Company, MIG No. 1 Pty Ltd (on March 19, 2024, MIG No.1 Pty Ltd was placed into a court appointed liquidation and wind-up process, as disclosed in note 15 subsequent events) has a Secured Loan Facility Agreement with Marshall Investments GCP Pty Ltd ATF for the Marshall Investments MIG Trust ("Marshall"). The loan matured in February 2024 and the total outstanding balance is $ 9.10 million as of December 31, 2023. MIG No. 1 Pty Ltd has not made a principal and interest payment since May 2023. Marshall and MIG No. 1 Pty Ltd have each reserved their rights.

A subsidiary of the Company in Australia, Mawson AU has a Secured Loan Facility Agreement for working capital with W Capital Advisors Pty Ltd with a total loan facility of AUD $ 8 million (USD $ 5.2 million) ("Working Capital Loan"). As of December 31, 2023, AUD $ 1.68 million (USD $ 1.15 million) has been drawn down from this facility. The Secured Loan Facility expired in March 2023. W Capital Advisors Pty Ltd and Mawson AU each reserved their rights. On October 30, 2023, the directors of this Australian subsidiary Mawson AU appointed voluntary administrators to Mawson AU. On November 3, 2023, W Capital Advisors appointed receivers and managers under the terms of their security relating to their working capital facility. All of Mawson AU's debts, other than the Secured Loan Facility will be managed as part of the voluntary administration. Refer to note 3 subsidiary deconsolidation for further information. The Company has a Secured Convertible Promissory Note with W Capital Advisors Pty Ltd with an outstanding balance of $ 0.57 million as of December 31, 2023. The principal balance of $ 0.50 million was repaid during March 2024.

The Company, or its subsidiaries, have not fulfilled specific payment obligations related to the Celsius Promissory Note, Marshall loan, the Working Capital Loan and Secured Convertible Promissory Note mentioned above. Consequently, the creditors associated with these debt facilities may initiate actions as allowed by relevant grace periods. This includes the possibility of opting to expedite the repayment of the principal debt, pursuing legal action against the Company for payment default, raising interest rates to the default or overdue rate, or taking appropriate measures concerning collateral (including appointing a receiver), if applicable.

The Company has evaluated the above conditions and concluded that these conditions raise substantial doubt regarding our ability to continue as a going concern for a period of at least one year from the date of issuance of these consolidated financial statements.

NOTE 1:- GENERAL (Cont.)

Going concern (Cont.)

To mitigate these conditions, the Company has explored various avenues to enhance liquidity, fund the Company's expenditures, and meet debt servicing requirements. These strategies include, among others:

- Executing and implementing further new customer co-location agreements;

- Engaging in discussions with new and existing lenders, including related to refinancing debt, raising additional debt, or modifying terms of existing debt;
- Considering equity issuances such as capital raises;
- Assessing and evaluating corporate and strategic transactions including engaging an investment bank;
- Assessing and evaluating monetizing specific assets, including potential sales of mining infrastructure equipment, miners, operational sites, or expansion locations under consideration; and
- Conducting assessments to identify and implement operational efficiencies, cost-cutting measures, and other actions aimed at enhancing revenue and optimizing expenses.

Although the Company may have access to debt, equity, and other sources of funding, these may require additional time and cost, may impose operational restrictions and other covenants on the Company, may not be available on attractive terms, and may not be available at all. If the Company raises additional capital or debt, this could cause additional dilution to the Company's current stockholders. The terms of any future capital raise or debt issuance and the costs of any financing are uncertain and may be unfavorable to the Company and the Company's current stockholders. Should the Company be unable to source sufficient funding, the Company may not be able to realize assets at their recognized values and fulfill its liabilities in the normal course of business at the amounts stated in these consolidated financial statements.

The Company has engaged Needham and Company, an investment bank, and is obtaining advice from outside legal counsel. It is important to note that strategic and other initiatives may not lead to any transaction or other outcome.

These consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities and other commitments in the normal course of business. They do not include any adjustments relating to the recoverability and carrying amounts of assets and the amounts of liabilities should the Company be unable to continue as a going concern and meet its obligations and debts as and when they fall due.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES

Use of estimates in preparation of Financial Statements

The preparation of the financial statements in conformity with GAAP requires management to make estimates, judgments and assumptions that affect the amounts reported in the financial statements and accompanying notes. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the consolidated financial statements, and the reported amounts of income and expenses during the reporting periods. Actual results could differ from those estimates. The Company has considered the following to be significant estimates made by management, including but not limited to, going concern assumptions, estimating the useful lives of fixed assets, realization of long-lived assets, unrealized tax positions, valuing the derivative asset classified under Level 3 fair value hierarchy, and the contingent obligation with respect to future revenues.

Principles of consolidation

The accompanying consolidated financial statements of the Company include the accounts of the Company and its wholly or majority owned and controlled subsidiaries. Intercompany investments, balances and transactions have been eliminated in consolidation. Non–controlling interests represent the minority equity investment in the Company's subsidiaries, plus the minority investors' share of the net operating results and other components of equity relating to the non–controlling interest.

Any change in the Company's ownership interest in a consolidated subsidiary, through additional equity issuances by the consolidated subsidiary or from the Company acquiring the shares from existing stockholders, in which the Company maintains control is recognized as an equity transaction, with appropriate adjustments to both the Company's additional paid-in capital and the corresponding non-controlling interest.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Revenue recognition

Digital currency mining revenue

The Company recognizes revenue under ASC 606, *Revenue from Contracts with Customers*. The core principle of ASC 606 is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Five steps are required to be followed in evaluating revenue recognition: (i) identify the contract with the customer; (ii) identity the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price; and (v) recognize revenue when or as the entity satisfies a performance obligation.

In order to identify the performance obligations in a contract with a customer, a company must assess the promised goods or services in the contract and identify each promised good or service that is distinct. A performance obligation meets ASC 606's definition of a "distinct" good or service (or bundle of goods or services) if both of the following criteria are met: the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e., the good or service is capable of being distinct), and the entity's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e., the promise to transfer the good or service is distinct within the context of the contract).

The Company has entered into a contract with mining pools and has undertaken the performance obligation of providing computing power in exchange for non-cash consideration in the form of digital currency. The provision of computing power is the only performance obligation in the Company's contract with its pool operators. Where the consideration received is variable (for example, due to payment only being made upon successful mining), it is recognized when it is highly probable that the variability is resolved, which is generally when the digital currency is received.

The Company measures the non-cash consideration received at the fair market value of the digital currency received. Management estimates fair value on a daily basis, as the quantity of digital currency received multiplied by the price quoted on the crypto exchange that the Company uses to dispose of digital currency.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Revenue recognition (Cont.)

Co-location revenue

Co-location customers pay for energy used in connection with the customer co-location agreement on a pass-through basis, which may be on a fixed or variable basis calculated on the portion of energy used by the customer on the site. The Company additionally charges co-location fees for the use of the facilities, and other related fees. Revenue is typically received monthly from the customer based on the power usage at the rates outlined in each customer contract.

The customer contracts contain variable consideration to be allocated to and recognized in the period to which the consideration relates. Usually this is when it is invoiced, rather than obtaining an estimation of variable consideration at the beginning of the customer contracts.

Net energy benefits

In exchange for powering down the Company's digital infrastructure and curtailing power usage in response to instances of high electricity demand, the Company receives net energy benefits from the grid.

Revenue for curtailing power is recognized over the period of time that the services are being provided. The Company estimates the amount of curtailable power and the expected payment for that curtailment and recognizes revenue based on the proportion of the service that has been provided. In this arrangement, the Company is considered the principal and revenue is recognized on a gross basis.

Revenue through the Company's power pricing arrangement is recognized over the period of time that the services are being provided. The Company estimates the amount of energy available for sale and the expected payment for that energy, and recognizes revenue based on the proportion of the service that has been provided. In this arrangement, the Company is considered the principal and revenue is recognized on a gross basis.

Equipment sales

The Company had previously earned revenues from the sale of earlier generation digital currency mining units and modular data centers that have been assembled or refurbished for resale (collectively, "Hardware"). Revenue from the sale of Hardware is recognized upon transfer of control of the Hardware to the customer. At the date of sale, the net book value is expensed in cost of revenues.

Cost of revenues

Cost of revenue consists primarily of expenses that are directly related to providing the Company's service to its paying customers. These primarily consist of costs associated with operating our co-location facilities such as direct power costs, energy costs, freight costs and material costs related to digital currency mining.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Income taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance may be established to reduce the deferred tax asset to the level at which it is "more likely than not" that the tax asset or benefits will be realized. Realization of tax benefits of deductible temporary differences and operating loss carryforwards depends on having sufficient taxable income of an appropriate character within the carryback or carryforward periods.

The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained upon review by the taxing authority. Recognized income tax positions are measured at the largest amount that is greater than 50 % likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

Functional currency

All subsidiaries of Company have a functional currency of United States dollar ("USD") with the exceptions of MIG No.1 Pty Ltd (on March 19, 2024, MIG

No.1 Pty Ltd was placed into a court appointed liquidation and wind-up process, as disclosed in note 15 subsequent events), Cosmos Trading Pty Ltd and Mawson AU (deconsolidated on October 30, 2023, refer to note 3), whose functional currency is the Australian Dollar ("AUD"). The financial statements of foreign businesses have been translated into USD at current exchange rates for balance sheet items and at the average rate for income statement items. Translation of all the consolidated companies' financial records into USD is required due to the reporting currency for these consolidated financial statements presented as USD and the functional currency of the parent company being that of AUD. Translation adjustments are accumulated in other comprehensive income (loss). Revenue and expense accounts are converted at prevailing rates throughout the year. Gains or losses on foreign currency transactions and translation adjustments in highly inflationary economies are recorded as income in the period in which they are incurred.

Segment Reporting

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker, or decision–making group in deciding how to allocate resources and in assessing performance. Our chief operating decision–making group is composed of the chief executive officer. We currently operate in one segment surrounding our digital currency mining operation.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, cash held with digital currency exchanges, and other short-term and highly liquid investments that are readily convertible to known amounts of cash and have original maturities of three months or less.

Digital Currency

Digital currencies are included in current assets in the consolidated balance sheets. Digital currencies are classified as indefinite-lived intangible assets in accordance with ASC 350, *Intangibles – Goodwill and Other*, and are accounted for in connection with the Company's revenue recognition policy detailed above.

The following table presents the Company's digital currency (bitcoin) activities for the years ended December 31, 2023 and 2022:

	December 31,	
	2023	**2022**
Opening number of bitcoin held	**0.00**	**0.92**
Number of bitcoin received	741.33	1,342.59
Number of bitcoin sold	(741.33)	(1,343.51)
Closing number of bitcoin held	**0.00**	**0.00**

Digital currencies are not amortized but assessed for impairment annually, or more frequently, when events or changes in circumstances occur indicating that it is more likely than not that the indefinite-lived asset is impaired. Impairment exists when the carrying amount exceeds its fair value. In testing for impairment, the Company has the option to first perform a qualitative assessment to determine whether it is more likely than not that an impairment exists. If it is determined that it is not likely that an impairment exists, a quantitative impairment test is not necessary. If the Company concludes otherwise, it is required to perform a quantitative impairment test. To the extent an impairment loss is recognized, the loss establishes the new cost basis of the asset. Subsequent reversal of impairment losses is not permitted.

The Company's policy is to dispose of bitcoin received from mining operations at the earliest opportunity, therefore the holding period is minimal, usually no more than a few days. Due to the short period for which bitcoin is held prior to sale and the consequent small numbers held, the risk of impairment is not material. No impairment charges have been recorded during the years ended December 31, 2023 and 2022.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Fair value of financial instruments

The Company accounts for financial instruments under ASC 820, *Fair Value Measurements*. This statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements, ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels as follows:

Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 — observable inputs other than Level 1, quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, and model-derived prices whose inputs are observable or whose significant value drivers are observable; and

Level 3 — assets and liabilities whose significant value drivers are unobservable. Observable inputs are based on market data obtained from independent sources, while unobservable inputs are based on the Company's market assumptions. Unobservable inputs require significant management judgment or estimation. In some cases, the inputs used to measure an asset or liability may fall into different levels of the fair value hierarchy. In those instances, the fair value measurement is required to be classified using the lowest level of input that is significant to the fair value measurement. Such determination requires significant management judgment.

	Fair value measured of December 31, 2023			
	Total	Total Level 1	Total Level 2	Total Level 3
Derivative asset	$ 4,058,088	-	-	4,058,088

	Fair value measured at December, 2022			
	Total	Total Level 1	Total Level 2	Total Level 3
Derivative asset	$ 11,299,971	-	-	11,299,971
Marketable securities	$ 3,243,957	3,243,957	-	-

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Fair value of financial instruments (Cont.)

Level 3 Assets:

In June 2022, the Company entered into a Power Supply Agreement with Energy Harbor LLC, the energy supplier to the Company's Midland, Pennsylvania facility, to provide the delivery of a fixed portion of the total amount of electricity for a fixed price through to December 2026. There were two amendments to the contract with Energy Harbor LLC entered into in November 2023 and December 2023, both contracts were to purchase additional electricity at a fixed price for the months of December 2023 and January 2024. If the Midland, Pennsylvania facility uses more electricity than contracted, the cost of the excess is incurred at a new price quoted by Energy Harbor LLC.

While the Company manages operating costs at the Midland, Pennsylvania facility in part by periodically selling unused or uneconomical power back to the market, the Company does not consider such actions as trading activities. That is, the Company does not engage in speculation in the power market as part of its ordinary activities. Because the sale of any electricity under a curtailment program allows for net settlement, the Company has determined the Power Supply Agreement meets the definition of a derivative under ASC 815, *Derivatives and Hedging*. However, because the Company has the ability to sell the power back to the grid rather than take physical delivery, physical delivery is not probable through the entirety of the contract and therefore, the Company does not believe the normal purchases and normal sales scope exception applies to the Power Supply Agreement. Accordingly, the Power Supply Agreement (the non-hedging derivative contract) is recorded at estimated fair value each reporting period with the change in the fair value recorded in "change in fair value of derivative asset" in the consolidated statements of operations.

The Power Supply Agreement was classified as a derivative asset beginning in the quarter ended June 30, 2022, and measured at fair value on the date of Power Supply Agreement, with changes in fair value recognized in the accompanying consolidated statements of operations. The estimated fair value of the Company's derivative asset is classified in Level 3 of the fair value hierarchy due to the significant unobservable inputs utilized in the valuation. Specifically, the Company's discounted cash flow estimation models contain quoted commodity exchange spot and forward prices and are adjusted for basis spreads for load zone-to-hub differentials through the term of the Power Supply Agreement, which expires in December 2026. In addition, the Company adopted a discount rate of approximately 20 % above the terminal value of the observable market inputs, but also includes unobservable inputs based on qualitative judgment related to company-specific risk factors. The terms of the Power Supply Agreement require pre-payment of collateral, calculated as forward cost based on the market cost rate of electricity versus the fixed price stated in the contract.

Equity method investments

Equity investments are accounted for under the equity method if we are able to exercise significant influence, but not control, over an investee. Our share of the earnings or losses as reported by the investees is classified as income from equity investees on our consolidated statements of operations. The investments are evaluated for impairment annually and when facts and circumstances indicate that the carrying value may not be recoverable. If a decline in fair value is determined to be other-than-temporary, an impairment charge is recorded in our consolidated statements of operations. The Company has a 34.9 % holding in TDI. During the year ended December 31, 2023, there was an impairment recognized on our investment in TDI of $ 1.84 million. The impairment was recognized on the basis of TDI's updates and its strategic direction, including changing from becoming a bitcoin miner to mine copper and gold and therefore the value of the company was deemed much lower than our investment value.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Concentrations of credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash, cash equivalents and marketable securities. Cash and cash equivalents and restricted bank deposits are invested in banks. If the counterparty completely failed to perform in accordance with the terms of the contract, the maximum amount of loss to the Company would be the balance. Management believes that the financial institutions that hold the Company's investments are financially sound and, accordingly, minimal credit risk exists with respect to these investments. The Company has no off-balance-sheet concentration of credit risk such as foreign exchange contracts, option contracts or other foreign hedging arrangements.

Property and equipment

Property and equipment are stated at cost, net of accumulated depreciation. All other repair and maintenance costs are charged to operating expenses as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Property and equipment transferred from customers is initially measured at the fair value at the date on which control is obtained.

Property and equipment are depreciated on a straight-line or declining balance basis based on the asset classification, over their useful lives to the economic entity commencing from the time the assets arrive at their destination where they are ready for use. Low-cost assets are capitalized and immediately depreciated. Depreciation is calculated over the following estimated useful lives:

Asset class	Useful life	Depreciation Method
Fixtures	5 years	Straight-Line
Plant and equipment	10 years	Straight-Line
Modular data center	5 years	Declining
Motor vehicles	5 years	Straight-Line
Computer equipment	3 years	Straight-Line
Computational and Processing machinery (Miners)	2 years	Straight-Line
Transformers	15 years	Straight-Line
Leasehold improvements	Shorter of useful life or lease term	Straight-Line

Property and equipment are derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the consolidated statement of operations.

The residual values, useful lives and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Company's long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the future undiscounted cash flows expected to be generated by the assets. If such an asset is considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds its fair value. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Stock based compensation

The Company follows ASC 718-10, *Compensation-Stock Compensation*. The Company expenses stock based compensation to employees and non-employees over the requisite service period based on the grant-date fair value of the awards. The Company determines the grant date fair value of options using the Trinomial Lattice Method. The assumptions used in calculating the fair value of stock-based awards represent management's best estimates and involve inherent uncertainties and the application of management's judgment. These assumptions are the expected stock volatility, the risk–free interest rate, the expected life of the option, and the expected forfeiture rate. Expected volatility computes stock price volatility over expected terms based on its historical common stock trading prices. Risk–free interest rates are calculated based on the yield of a 5 -year United States Treasury constant maturity bond.

Legal and other contingencies

The Company accounts for its contingent liabilities in accordance with ASC 450 *Contingencies*. A provision is recorded when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. With respect to legal matters, provisions are reviewed and adjusted to reflect the impact of negotiations, estimated settlements, legal rulings, advice of legal counsel and other information and events pertaining to a particular matter. Legal costs incurred in connection with loss contingencies are expensed as incurred.

The Company is subject to the various legal proceedings and claims discussed below that have not been fully resolved and that have arisen in the ordinary course of business. In the opinion of management, there was not at least a reasonable possibility the Company may have incurred a material loss, or a material loss in excess of a recorded accrual, with respect to loss contingencies. However, the outcome of legal proceedings and claims brought against the Company is subject to significant uncertainty. Therefore, although management considers the likelihood of such an outcome to be remote, if one or more of these legal matters were resolved against the Company in a reporting period for amounts in excess of management's expectations, the Company's consolidated financial statements for that reporting period could be materially adversely affected.

Celsius Mining LLC, et al. vs. Mawson Infrastructure Group, Inc., et al.

On July 13, 2022, Celsius Mining LLC and Celsius Network LLC and other related entities (collectively, "Celsius"), filed for bankruptcy relief under Chapter 11 in the United States Bankruptcy Court for the Southern District of New York, Case No. 22-10964. In that matter, on November 23, 2023, Celsius Mining LLC filed an adversary proceeding against Mawson, its subsidiaries Luna Squares LLC and Cosmos Infrastructure LLC, asserting various claims related to the alleged breach of a Co-Location Agreement and Secured Promissory Note. Adv. Case No. 23-01202, claiming it is owed approximately $ 8 million under the promissory note and claiming entitlement to return of $ 15.33 million paid as deposit. Mawson denies that Celsius Mining LLC is entitled to the relief it seeks in the adversary proceeding and is actively defending the matter. Mawson sought to have the matter removed from the adversary proceeding to arbitration based on the arbitration clause contained in one of the transaction's agreements. Celsius opposed and the matter was heard before the Court. On February 27, 2024, the Court ruled in part that the claims regarding the co-location agreement could be arbitrated, but the claims for the promissory note would stay before the Court. The Court appointed a litigation administrator to handle the claims arising out of the promissory note. Mawson is appealing this decision. Many of the related claims and disputes between Celsius and Mawson have been disclosed in more detail in Mawson's previous filings with the SEC. However, we have been in the past, and may be from time to time in the future, named as a defendant in certain routine litigation incidental to our business.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Legal and other contingencies (Cont.)

Dispute between W Capital Advisors Pty Ltd (ACN 160 360 476) as trustee for the W Capital Advisors Fund ABN 89 229 295 926 (W Capital), Mawson Infrastructure Group Pty Ltd (ACN 636 458 912) and Mawson Infrastructure Group, Inc.

On January 3, 2024, W Capital put Mawson on notice of its intent to collect what it asserts are past due amounts for the following claims as of December 31, 2023: (a) principal and interest payable on the Loan Amount advanced to Mawson under a variation deed, amounting to $ 1.30 million (AU $ 1.90 million), the Company has accrued $ 1.15 m (AU$ 1.68 million) in relation to the loan payable to December 31, 2023; (b) the principal amount advanced under the Convertible Note, amounting to $ 0.50 million; and (c) interest payable on the principal amount advanced under a convertible note, amounting to $ 0.07 million. W Capital is also demanding issuance of the 1,500,000 registered shares by MIGI. The Company actively denies these claims but has agreed and did pay to W Capital $ 0.50 million on March 6, 2024, reserving its rights as they pertain to W Capital's claims for the additional AU$ 1.30 million and 1,500,000 in registered stock.

Leases

The Company accounts for its leases under ASC 842, *Leases* and determines if an arrangement is a lease at inception. Using ASC 842, leases are classified as operating or finance leases on the balance sheet as a right of use ("ROU") assets and lease liabilities within current liabilities and long-term liabilities on our consolidated balance sheets. ROU assets and lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. The Company's lease does not provide an implicit rate and therefore the Company measured the ROU asset and lease obligation based upon the present value of future minimum lease payments. The Company's incremental borrowing rate is estimated based on risk-free discount rate for the lease, determined using a period comparable with that of the lease term and in a similar economic environment. The lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise such options. The Company does not record leases on the consolidated balance sheets with a term of one year or less. The Company does not separate lease and non-lease components but rather account for each separate component as a single lease component for all underlying classes of assets. Where leases contain escalation clauses, rent abatements, or concessions, such as rent holidays and landlord or tenant incentives or allowances, the Company applies them in the determination of straight-line operating lease cost over the lease term.

Accounts receivable

Accounts receivable mainly consists of amounts due from co-location customers. They are initially recorded at the invoiced amount upon the sale of goods or services to customers, and do not bear interest. The Company performs ongoing credit evaluation of its customers and management closely monitors outstanding receivables based on factors surrounding the credit risk of specific customers, historical trends, and other information.

The carrying amount of accounts receivable is reviewed periodically for collectability. If management determines that collection is unlikely, an allowance that reflects management's best estimate of the amounts that will not be collected is recorded.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Accounts receivable (Cont.)

Accounts receivable, net consists of the following:

	December 31,	
	2023	**2022**
Trade receivables	$ 12,304,830	$ 10,663,031
Goods and service tax refund	557	45,045
Provisions	(200,000)	(250,000)
	$ 12,105,387	$ 10,458,076

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board (FASB) or other standard setting bodies and adopted by the Company as of the specified effective date. Unless otherwise discussed, the impact of recently issued standards that are not yet effective will not have a material impact on the Company's financial position or results of operations upon adoption.

In December 2023, the FASB issued ASU 2023-08, Intangibles—Goodwill and Other—

Crypto Assets (Topic 3580-60): Accounting for and Disclosure of Crypto Assets. Under the new guidance, an entity would be required to subsequently measure certain crypto assets at fair value, with changes in fair value included in net income in each reporting period. The proposes set of rules would also require presentation of crypto assets and related fair value changes separately in the balance sheet and income statement and require various disclosures in interim and annual periods. The Company does not expect the adoption of ASU 2023-08 to have a material impact on its consolidated financial statements since the Company's policy is to dispose of bitcoin received from mining operations at the earliest opportunity, therefore the holding period is minimal, usually no more than a few days. ASU 2023-08 is effective for fiscal years beginning after December 15, 2024 and interim periods within those fiscal years. Early adoption is permitted.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which requires that financial assets measured at amortized cost be presented at the net amount expected to be collected. The measurement of current expected credit losses (CECL) is based on historical experience, current conditions, and reasonable and supportable forecasts that affect collectability. ASU 2016-13 also eliminates the concept of "other-than-temporary" impairment when evaluating available-for-sale debt securities and instead focuses on determining whether any impairment is a result of a credit loss or other factors. An entity will recognize an allowance for credit losses on available-for-sale debt securities rather than an other-than-temporary impairment that reduces the cost basis of the investment. ASU 2016-13 is effective for fiscal years beginning after December 15, 2022 and interim periods within those fiscal years. Early adoption is permitted. The Company has adopted this, and it did not have a material impact on the Company's consolidated financial statements.

Reclassifications

Certain reclassifications of prior period amounts have been made to conform to current period presentation.

MAWSON INFRASTRUCTURE GROUP, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3:- SUBSIDIARY DECONSOLIDATION

Voluntary administration and Deconsolidation

On October 30, 2023, the directors of Mawson AU appointed voluntary administrators to Mawson AU. Voluntary administration is a process under Australian corporate law where an external administrator (the "Administrators") is appointed to take control of the relevant entity, investigate and report to creditors about the relevant entity's business, property, affairs and financial circumstances, and report on the options available to creditors. Once the directors pass the resolution appointing the Administrators, the powers of all officers of Mawson AU including the directors, are suspended. Although powers are suspended, officers remain in office. While the Company is under administration, the officers of the Company cannot perform or exercise a function or power as an officer of the Company, except with the Administrators' written approval.

The Administrators are given the following powers:

- control of the Company's business, property and affairs;
- power to carry on the business and manage the property and affairs;
- power to terminate or dispose of all or part of the business and any of the property; and
- power to perform any function, and exercise any power, that the Company or any of its officers could perform or exercise if the Company were not under administration.

As a result of Mawson AU appointing Administrators to the Company, the Company ceded authority for managing the business to the Administrators, and the Company could not carry on Mawson AU's activities in the ordinary course of business without the Administrators' approval. For these reasons, it was concluded that the Company had lost control of Mawson AU, and no longer had significant influence over Mawson AU while the Administrators were in control of the Company. Therefore, Mawson AU loss of control was effective with the appointment of the Administrators on October 30, 2023, and was deconsolidated at this date, in accordance with ASC 810-10-15.

Deconsolidation of Mawson AU

In order to deconsolidate Mawson AU, the carrying values of the assets, liabilities and equity components previously recognized in accumulated other comprehensive income of Mawson AU were removed from the Company's consolidated balance sheet as of October 30, 2023, in accordance with ASC 810, *Consolidation*. The net impact with removing the assets and liabilities resulted in a gain on deconsolidation being credited to the consolidated statement of operations of $ 3.80 million, which includes the effects of foreign exchange.

Investment in Mawson AU

The investment in Mawson AU held by the Company was accounted for under ASC 321, *Investments — Equity Securities* as it was concluded the Company did not have significant influence over Mawson AU from October 30, 2023. The fair value of Mawson AU was estimated to be $ 0 , as at the time of the deconsolidation, Mawson AU had negative equity and its directors have no intention to carry out business in the future.

Treatment of intercompany balances and secured creditor

The Company had total receivables owed from Mawson AU of A$ 78.26 million and had total liabilities owed to Mawson AU amounting to A$ 55.95 million. The Company has utilized its right to offset to write off the receivables and payables with Mawson AU. The net impact of derecognizing these intragroup receivables and payables in Mawson AU would net off against the write off of the Company's receivables and payables with Mawson AU, eliminating on consolidation and therefore the impact of this resulted in a foreign exchange gain of $ 5.68 million.

MAWSON INFRASTRUCTURE GROUP, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3:- SUBSIDARY DECONSOLIDATION (Cont.)

Summary of the impact on consolidated statement of operations

	October 30, 2023
Deconsolidation gain of Mawson AU	$ 3,797,784
Foreign exchange gain on write off of intergroup balances	5,675,192
Total gain on deconsolidation	**$ 9,472,976**

NOTE 4:- BASIC AND DILUTED LOSS PER SHARE:

Net loss per common share is calculated in accordance with ASC 260, *Earnings Per Share*. Basic loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the period. The computation of diluted net loss per share does not include dilutive common stock equivalents in the weighted average shares outstanding, as they would be anti-dilutive.

Securities that could potentially dilute loss per share in the future that were not included in the computation of diluted loss per share as of December 31, 2023, and 2022, are as follows:

	Year ended December 31,	
	2023	2022
Warrants to purchase common stock	4,904,016	2,825,278
Options to purchase common stock	3,500,417	4,910
Restricted Stock-Units (“RSUs”) issued under a management equity plan	5,317,938	420,914
	13,722,371	3,251,102

The following table sets forth the computation of basic and diluted loss per share:

	Year ended December 31,	
	2023	2022
Numerator:		
Net loss	**$ (60,421,822)**	**$ (52,762,308)**
Denominator:		
Weighted average common shares - basic and diluted	15,659,241	12,695,654
Net loss per share of Common Stock, basic and diluted	$ (3.86)	$ (4.16)

A Certificate of Amendment to the Certificate of Incorporation of the Company dated February 6, 2023, was executed at a ratio of 1-6 reverse stock split of its outstanding common stock and reduced its authorized common stock to 90,000,000 shares. All share amounts have been retroactive adjusted to reflect the reverse split.

NOTE 5:- PROPERTY AND EQUIPMENT

Property and equipment, net, consisted of the following:

	December 31, 2023	December 31, 2022
Plant and equipment	$ 4,973,191	$ 4,263,662
Computer equipment	125,695	163,060
Furniture & fixtures	-	29,492
Processing machines (Miners)	102,984,186	103,337,719
Modular data center	25,449,717	19,713,534
Motor Vehicles	199,246	326,704
Transformers	9,843,359	8,886,576
Low-cost assets	998,815	995,292
Assets under construction	4,764,051	11,592,582
Leasehold improvements	487,527	487,527
Total	149,825,787	149,796,148
Less: Accumulated depreciation	(92,085,496)	(54,489,966)
Reclassification to assets held for sale	-	(4,289,684)
Property and equipment, net	**$ 57,740,291**	**$ 91,016,498**

The Company incurred depreciation and amortization expense in the amounts of $ 38.08 million and $ 63.20 million for the years ended December 31, 2023 and 2022, respectively.

There were no impairment charges for the year ended December 31, 2023. There were impairment charges recognized for processing machines of $ 5.45 million for year ended December 31, 2022. These assets were disposed of as part of the sale of the Georgia site to CleanSpark Inc.

NOTE 6:- SECURITY DEPOSITS

The Company’s security deposits consist of amounts paid by the Company to location providers in any event of default. The security deposits are refundable to the Company when location provider services cease or are cancelled. Security deposits are included in non-current assets on the consolidated balance sheets as such amounts are not expected to be refunded for at least twelve months after December 31, 2023. As of December 31, 2023, and 2022, the Company had $ 0.42 million and $ 2.52 million, respectively, in refundable security deposits.

NOTE 7:- LEASES

The Company’s operating leases are for mining sites and finance leases which are primarily related plant and equipment.

The Company leases 6 -acres of land in Midland Pennsylvania which began in October 2021 for thirty-six months with the option to exercise four additional three-year extensions.

Effective May 24, 2023, Mawson Bellefonte LLC entered into a lease agreement for a 9,918 square foot developed mining facility in Bellefonte, PA. The term of the lease is for two years and seven months, with an option to extend for five years .

On March 16, 2022, Luna Squares Property LLC entered into a lease with respect to a property in the City of Sharon, Mercer County, Pennsylvania with Vertua Property, Inc. The term of the lease is for 5 years, with 2 options to extend for 5 years each . On February 2, 2024 the Sharon lease was terminated and as of March 2024 the Company has moved completely out of the facility.

Effective May 1, 2023, Mawson Ohio LLC took an assignment of a lease agreement for approximately 64,600 square feet for an undeveloped site in Corning, Ohio. The term of the lease is for four years, with an option to extend for five years .

Other than the foregoing leases, the Company does not lease any other material assets. The Company believes that these facilities are suitable and adequate for its operations as currently conducted and as currently foreseen. In the event additional facilities are required, the Company believes that it could obtain such facilities at a commercially reasonable rate.

The Company's lease costs recognized in the consolidated statements of operations and comprehensive loss consist of the following:

	December 31,	
	2023	2022
Operating lease charges [1]	$ 1,698,383	$ 1,608,095
Finance lease charges:		
Amortization of right-of-use assets	32,574	28,662
Interest on lease obligations	7,474	8,507

(1) Included in Selling, General & Administrative Expenses.

The following is a schedule of the Company's lease liabilities by contractual maturity as of December 31, 2023:

	Operating leases	Finance Leases
2024	$ 1,569,549	$ 38,176
2025	599,356	38,176
2026	443,183	15,016
2027	72,652	-
Total undiscounted lease obligations	2,684,740	91,368
Less: imputed interest	(252,214)	(8,145)
Total present value of lease liabilities	2,432,526	83,223
Less: current portion of lease liabilities	1,416,310	33,059
Non-current lease liabilities	$ 1,016,216	$ 50,164

Other lease information as of December 31, 2023:

	Operating leases	Finance Leases
Operating cash out flows from leases	$ 1,585,095	$ 38,176
Weighted-average remaining lease term (years)	2.18	2.40
Weighted-average discount rate (%)	9.1%	7.5%

NOTE 8:- TRADE AND OTHER PAYABLES

	December 31,	
	2023	2022
Trade payables	$ 17,042,206	$ 2,823,954
Accrued expenses	4,011,991	2,164,178
Deferred income	7,109,717	2,000,000
Employee payables	593,834	1,881,897
Tax payables	3,755,365	1,702,032
	$ 32,513,113	$ 10,572,061

NOTE 9:- LOANS

Outstanding loans as of December 31, 2023:

	Maturity Date	Rate	Loan Balance
Marshall	Feb-24	17.00%	$ 9,102,720
Celsius	Aug-23	14.00%	8,536,360
W Capital	Mar-23	20.00%	1,145,178
Convertible notes	Jun-23	28.00%	568,494
Total Loans Outstanding			19,352,752
Less: current portion of long-term loans			(19,352,752)
Long-term loans, excluding current portion			**$ -**

Description of Outstanding Loans

Marshall loan

In December 2021 MIG No. 1 Pty Ltd (on March 19, 2024, MIG No.1 Pty Ltd was placed into a court appointed liquidation and wind-up process, as disclosed in note 15 subsequent events) entered into a Secured Loan Facility Agreement with Marshall Investments MIG Pty Ltd. The loan matured in February 2024 and bears interest at a rate of 12 % per annum (with an overdue rate provision of an additional 500bps), payable monthly with interest payments commencing that commenced in December 2021. This loan facility is secured by direct assets of MIG No.1 Pty Ltd and a general security agreement given by the Company. Principal repayments began during November 2022. The outstanding balance including interest is $ 9.10 million as of December 31, 2023, all of which is classified as a current liability. MIG No. 1 Pty Ltd has not made a principal and interest payment since May 2023. Marshall and MIG No. 1 Pty Ltd have each reserved their rights.

NOTE 9:- LOANS (Cont.)

Celsius loan

On February 23, 2022, Luna Squares LLC entered into a Co-Location Agreement with Celsius Mining LLC. In connection with this agreement, Celsius Mining LLC loaned Luna Squares LLC a principal amount of $ 20 million, for the purpose of funding the infrastructure required to meet the obligations of the Co-Location Agreement, for which Luna Squares LLC issued a Secured Promissory Note for repayment of such amount. The Secured Promissory Note accrues interest daily at a rate of 12 % per annum (with an overdue rate provision of an additional 200bps). Luna Squares LLC is required to amortize the loan at a rate of 15 % per quarter, principal repayments began at the end of September 2022. The Secured Promissory Note has a maturity date of August 23, 2023 , the outstanding balance including interest is $ 8.54 million as of December 31, 2023, all of which is classified as a current liability. Celsius Mining LLC transferred the benefit of the promissory note to Celsius Network Ltd. Celsius Mining LLC and Celsius Network Ltd filed for Chapter 11 bankruptcy protection on July 13, 2022. Under the Co-location Agreement, Celsius Mining LLC advanced $ 15.33 million to Luna Squares LLC that were held as a deposit. Whether that amount has been forfeited or must be returned to Celsius Mining LLC is the subject of a dispute between the parties, refer to note 2, legal and other contingencies for further information.

W Capital loan

On September 2, 2022, Mawson AU entered into a Secured Loan Facility Agreement with W Capital Advisors Pty Ltd with a total loan facility of AUD $ 3.00 million (USD $ 1.9 million). This was amended on September 29, 2022, and the loan facility was increased to AUD $ 8.00 million (USD $ 5.2 million). As of December 31, 2023, AUD $ 1.68 million (USD $ 1.15 million) has been drawn down from this facility, all of which is classified as a current liability. The Secured Loan Facility accrues interest daily at a rate of 12 % per annum (with an overdue rate provision of an additional 800bps) and is paid monthly. Principal repayments are paid ad hoc in line with the loan facility agreement. The Secured Loan Facility expired in March 2023 and Mawson AU and W Capital Advisors Pty Ltd are in ongoing discussions in respect of the facility. On October 30, 2023, Mawson AU appointed voluntary administrators, and the facility will be managed as part of the voluntary administration. Refer to note 3 subsidiary deconsolidation for further information.

Convertible notes

On July 8, 2022, the Company issued secured convertible promissory notes to investors in the aggregate principal amount of $ 3.60 million (the “Secured Convertible Promissory Notes”) in exchange for an aggregate of $ 3.60 million in cash. On September 29, 2022, the Company entered into a letter variation relating to some of the Secured Convertible Promissory Notes, with an aggregate principal amount of $ 3.1 million, which gave those holders the option to elect for pre-payment (including accrued interest to maturity) subject to certain conditions. All of the investors included in this letter variation elected for the pre-payment option and therefore there were $ 3.1 million principal repayments made during November 2022. The final convertible noteholder who was not a party to this variation opted to enter into an arrangement whereby it received pre-payment of interest but agreed that repayment of the principal was not required therefore the remaining $ 0.50 million has been classified as a current liability. The convertible note matured in July 2023 and the Company had not repaid the principal amount as of December 31, 2023. Interest has been accrued from July onwards and therefore the outstanding balance is $ 0.57 million as of December 31, 2023, all of which is classified as a current liability. During March 2024, the principal amount outstanding of $ 0.50 million was repaid to the investor.

NOTE 10:- SIGNIFICANT TRANSACTIONS

1. On April 18, 2023, the Company sold 100 % of its membership interest in Luna Squares Texas LLC, a Delaware limited liability company, which held rights to 4 greenfield leases in Midland, TX, as well as related contracts. The sale price was $ 3.0 million in cash and $ 5.50 million in stablecoins. In addition, the Company sold 59 transformers which were earmarked for these Texas sites. The net profit recognized on the sale of the site amounted to $ 3.35 million.

2. During the year ended December 31, 2023, there was an impairment recognized on our equity method investment in TDI of $ 1.84 million. The impairment was recognized on the basis of TDI’s updates and its strategic direction, including changing from becoming a bitcoin miner to mine copper and gold and therefore the value of the company was deemed much lower than our investment value.

3. October 30, 2023, the directors of Mawson AU appointed voluntary administrators to that company. For these reasons, it was concluded that the Company had lost control of Mawson AU, and no longer had significant influence over Mawson AU while the Administrators were in control of the company. The net impact of the deconsolidation on the consolidated statement of operations was a net gain on deconsolidation of $ 9.47 million. See Note 3 Subsidiary Deconsolidation for further discussion.

4. On October 12, 2023, Mawson Hosting, LLC (the "Service Provider"), and a wholly-owned subsidiary of Consensus Technology Group LLC, Consensus Colocation PA LLC (the "Customer"), executed a Service Framework Agreement for the provision of certain co-location services (the "Agreement"). In accordance with the terms of the Agreement, Service Provider will provide Customer with co-location services for approximately 50MW at Service Provider's Midland PA site. The Agreement provides for Service Provider to provide co-location services to Customer for 12 months and the parties can extend further upon mutual agreement. Customer will provide 15,876 new bitcoin mining servers. Customer has agreed to provide a cash deposit and power prepayments based on estimated power usage. Service Provider will pass through power costs to the Customer, which will be fixed for 10 months of the year, and at market prices for the remainder of the year.

NOTE 11:- TAXES ON INCOME

Income (loss) before income taxes consisted of income from domestic and foreign operations of ($ 52.6) million for the calendar year ended December 31, 2023. Income tax expense (benefit) included in the statements of operations and comprehensive loss consisted of the following:

	December 31,	
	2023	2022
Current		
Federal	$ 2,381,973	$ -
Foreign	2,204,454	-
State	995,545	-
Total current	5,581,972	-
Deferred		
Federal	366,647	-
Foreign	-	-
State	-	-
Total deferred	366,647	
Total provision	$ 5,948,619	$ -

Income tax expense differed from the amount computed by applying the Federal statutory income tax rate of 21 % to pretax income (loss) for fiscal year 2023 as a result of the following:

	December 31, 2023	
	Amount	Rate
Income (loss) before taxes	$ (52,596,474)	
Federal tax at statutory rate	(11,460,373)	21.79%
State income taxes, net of federal tax benefit	(1,446,935)	2.75%
Foreign taxes	1,245,213	(2.37)%
Change in valuation allowance	167,085	(0.32)%
162(m) limitations	94,389	(0.18)%
Stock based compensation	1,349,670	(2.57)%
Permanent differences	(367,013)	0.70%
Difference and changes in tax rates	(1,308,774)	2.49%
Impact of deconsolidation	(1,604,439)	3.05%
Return to provision	19,279,796	(36.66)%
Total	$ 5,948,619	(11.32)%

NOTE 11:- TAXES ON INCOME (Cont.)

The tax effects of temporary differences that gave rise to significant portions of the Company's deferred tax assets and liabilities related to the following:

	December 31,	
	2023	2022
Assets		
Net operating loss carryforwards	$ 25,994,146	$ 15,762,452
Operating Lease Liability	630,235	782,080
Accrued Liabilities	1,989,103	166,650
Unrealized Loss	1,428,304	2,473,377
Stock based compensation	5,836,809	5,874,815
Disallowed Interest Expense	-	2,548,266
Business interest expense deduction limit	2,178,167	-
Other	22,865	186,432
Total deferred tax assets	**38,079,629**	**27,794,072**
Liabilities		
Right of Use Asset	(597,503)	(770,635)
Property and equipment, net	(10,150,612)	(1,112,435)
Derivative asset	(1,016,616)	-

Total deferred tax liabilities	**(11,764,731)**	**(1,883,070)**
Valuation allowance	(26,681,545)	(25,911,002)
Net deferred tax liability	**$ (366,647)**	**$ -**

Management believes that, based on available evidence, both positive and negative, it is more likely than not that the deferred tax assets will not be utilized. The valuation allowance increased by $ 0.77 million for the year ended December 31, 2023, primarily as a result of current year activities.

As of December 31, 2023, the Company had approximately $ 28.16 million Australian net operating losses (NOL), that will have an indefinite life carryforward. In addition, the Company has approximately $ 67.42 million of indefinite lived US Federal NOLs and $ 71.19 million of U.S. state NOLs as of December 31, 2023. The Internal Revenue Code "IRC" limits the amount of NOL carryforwards that a company may use in a given year in the event of certain cumulative changes in ownership over a three-year period as described in Section 382 of the IRC. Utilization of NOL carryforwards and credits may be subject to a substantial annual limitation due to the ownership change limitations provided by the Internal Revenue Code of 1986, as amended, and similar state provisions. The annual limitation may result in the expiration of net operating losses and credits before utilization. The Company has not conducted a Section 382 study as of December 31, 2023.

If recognized, all of the unrecognized tax benefits would not impact the effective tax rate due to the valuation allowance against certain deferred tax assets. As of December 31, 2023, the Company had no unrecognized income tax benefits. The Company does not anticipate any significant increases or decreases to unrecognized tax benefit during the next twelve months. The Company's policy is to classify interest and penalties associated with unrecognized tax benefits as income tax expense. The Company had no interest or penalty accruals associated with uncertain tax benefits in its consolidated balance sheet and consolidated statement of operations for the tax year ended December 31, 2023.

The Company files income tax returns in the U.S. Federal, U.S. State, and foreign jurisdictions. The Company is not currently under examination by income tax authorities in federal or state jurisdictions. All tax returns will remain open for examination by the federal and most state taxing authorities for three years and four years, respectively, from the date of utilization of any net operating loss carryforwards or research and development credits.

The Company has made no provision for U.S. income taxes on cumulative undistributed non-U.S. earnings as of December 31, 2023 due to the Company's limited cumulative earnings and profits generated in its non-US jurisdictions. The Company doesn't anticipate any material withholding taxes based on cumulative earnings as of December 31, 2023.

NOTE 12:- STOCKHOLDERS' EQUITY

On September 29, 2022, the Company entered into a letter variation relating to three out of four of the Secured Convertible Promissory Notes, where it gave those holders the option to elect for pre-payment (including accrued interest to maturity). Payments of the interest may be made partially in common stock of the Company, at the Company's election. All of the investors included in this letter variation elected for the pre-payment option and therefore there were 104,178 shares of common stock of the Company issued as part of this letter variation. The final convertible noteholder who was not a party to this variation opted to enter into an arrangement on January 16, 2023, whereby it received pre-payment of interest which was also partially paid in shares. In total, 18,807 shares of common stock of the Company were issued as part of this arrangement.

Pursuant to that certain Certificate of Amendment to the Certificate of Incorporation of the Company dated February 6, 2023, Mawson executed at a ratio of 1 - 6 reverse stock split of its outstanding common stock and reduced its authorized common stock to 90,000,000 shares, as set forth in the Company's Current Report on Form 8-K filed February 9, 2023. This reverse stock split meant there were an additional 141 shares issued due to rounding, which are included in the issuance of common stock, share based compensation within the consolidated statements of stockholders' equity.

W Capital Advisors Pty Ltd was issued 93,334 shares of common stock during February 2023 for consultancy and advisory services, the fair value of these shares was $ 0.31 million.

On May 3, 2023, the Company has entered into a definitive agreement with institutional investors for the issuance and sale of 2,083,336 shares of its common stock (or prefunded warrants in lieu thereof) at a purchase price of $ 2.40 per share of common stock in a registered direct offering for proceeds of $ 4.6 million, net of issuance costs.

The Company has the ability through its ATM Agreement to sell shares of its common stock. Effective May 4, 2023, the Company filed a prospectus supplement to amend, supplement and supersede certain information contained in the earlier prospectus and prospectus supplement, which reduced the number of shares of common stock the Company may offer and sell under the ATM Agreement to an aggregate offering price of up to $ 9.0 million from time to time. Sales of shares of Common Stock pursuant to the ATM Agreement are currently dormant and are not expected to be re-started until at least August of 2024, when the Company expects to regain eligibility to use Form S-3 registration statements. Even after the Company regains eligibility to use Form S-3 registration statements, the Company still expects to be limited by General Instruction I.B.6 of Form S-3, which is referred to as the "baby shelf" rules. During the year ended December 31, 2023, 415,271 shares were issued as part of the ATM Agreement for cash proceeds of $ 1.2 million net of issuance costs.

During the year ended December 31, 2023, there were exercises of restricted stock units into 303,762 shares of common stock of the Company.

Restricted Stock

As of December 31, 2023 and 2022, there was no restricted stock.

Series A Preferred Stock

As of December 31, 2023 and 2022, there are no shares of Series A Preferred Stock outstanding.

NOTE 12:- STOCKHOLDERS' EQUITY (Cont.)

Common Stock Warrants

A summary of the status of the Company's outstanding stock warrants and changes during the year ended December 31, 2023, is as follows:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)
Outstanding as of December 31, 2022	2,825,278	$ 4.17	3.54
Issued	2,967,512	-	-
Exercised	(246,668)	-	-
Expired	(642,106)	-	-
Outstanding as of December 31, 2023	4,904,016	$ 11.07	3.65
Warrants exercisable as of December 31, 2023	4,904,016	$ 11.07	3.65

NOTE 13:- STOCK BASED COMPENSATION

Equity plans

Under the 2018 Equity Plan, the number of shares issuable under the Plan on the first day of each fiscal year increase by an amount equal to the lower of (i) 100,000 shares (after a later 10 for 1 stock split) or (ii) 5 % of the outstanding shares on the last day of the immediately preceding fiscal year. As of December 31, 2023, there were no shares issuable under the 2018 Equity Plan until it automatically replenishes on January 1, 2024.

At the Company's annual meeting on May 17, 2023, the stockholders approved an amendment to the 2021 Equity Plan that, amongst other things, increased the number of the shares available under the 2021 Equity Plan to 10,000,000 shares. In addition, the shares available under the 2021 Equity Plan increased by 1,000,000 shares on January 1, 2024 to 11,000,000 .

As of December 31, 2023, the number of shares reserved under the 2021 Equity Plan was 10,000,000 with 680,238 shares available for grant.

The Company recognized stock-based compensation expense during the year ended December 31, 2023 and 2022, as follows:

	December 31,	
	2023	2022
Performance-based restricted stock awards*	$ (423,360)	$ 643,350
Service-based restricted stock awards	7,522,436	700,797
Stock issued to consultants	307,069	-
Common stock warrant expense	1,835,166	1,668,333
Option expense	1,593,527	-
Total stock-based compensation	**$ 10,834,838**	**$ 3,012,480**

The performance-based restricted stock awards contain reversal of share-based payment expenses from 2021 onwards for forfeited awards due to staff departures.

NOTE 13:- STOCK BASED COMPENSATION (Cont.)

Performance-based awards

Performance-based awards generally vest over a three-year performance period upon the successful completion of specified market and performance conditions.

The following table presents a summary of the Company's performance-based awards restricted stock awards activity:

	Number of shares	Weighted Average Remaining Contractual Life (in years)
Outstanding as of December 31, 2022	342,310	8.33
Exercised	(100,000)	-
Expired/forfeited	(166,765)	-
Outstanding as of December 31, 2023	75,545	8.58
Exercisable as of December 31, 2023	44,327	4.60

As of December 31, 2023, there was approximately $ 0.12 million of unrecognized compensation cost related to the performance-based awards, which is expected to be recognized over a remaining weighted-average vesting period of approximately seven months.

Service-based restricted stock awards

Service-based awards generally vest over a one-year service period.

The following table presents a summary of the Company's service-based awards activity:

	Number of shares	Weighted Average Remaining Contractual Life (in years)
Outstanding as of December 31, 2022	74,246	8.42
Issued	6,143,346	-
Exercised	(203,760)	-
Expired/forfeited	(771,439)	-
Outstanding as of December 31, 2023	5,242,393	2.28
Exercisable as of December 31, 2023	16,804	0.03

As of December 31, 2023, there was approximately $ 2.79 million of unrecognized compensation cost related to the service-based restricted stock awards, which is expected to be recognized over a remaining weighted-average vesting period of approximately three months.

NOTE 13:- STOCK BASED COMPENSATION (Cont.)

Stock options awards

Stock options awards vest upon the successful completion of specified market conditions.

The following table presents a summary of the Company's Stock options awards activity:

	Number of shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value
Outstanding as of December 31, 2022	417	$ 35.90	1.26	$ -
Issued	3,500,000	1.22	-	6,923,000
Outstanding as of December 31, 2023	3,500,417	$ 1.23	9.70	$ 6,923,000
Exercisable as of December 31, 2023	417	$ -	-	$ -

As of December 31, 2023, there was approximately $ 1.84 million of unrecognized compensation cost related to the stock options awards, which is expected to be recognized over a remaining weighted-average vesting period of approximately eight months.

NOTE 14:- RELATED PARTY TRANSACTIONS

Mawson executive management and the board are in the process of winding down services that are or were provided by previously related parties. During the year ended December 31, 2023, Mawson has ended the services described below, in relation to office costs, tax advisory services, accounting labor services, executive employment, vehicle services and freight services, and has engaged non-related third parties where required and where possible to provide those services going forward. The lease with respect to the property in the City of Sharon entered into by Luna Squares Property LLC with Vertua Property Inc, was terminated on February 2, 2024, and as of March 2024 the Company has moved completely out of the facility, and the lease is no longer considered a related party transaction.

On March 16, 2022, Luna Squares LLC entered into a lease with respect to a property in the City of Sharon, Mercer County, Pennsylvania with Vertua Property, Inc, a subsidiary entity in which Vertua Ltd has a 100 % ownership interest. James Manning, a significant stockholder of the Company and also a former executive officer and director of the Company, is also a director of Vertua Ltd and has a material interest in the Sharon lease as a large stockholder of Vertua Ltd. The lease was for a term of five years , and Luna Squares LLC had two options to extend for five years each. Rent was subject to annual increases equal to the amount of the Consumer Price Index for the Northeast Region, or 4 %, whichever is higher. The base rental amount in the first year was $ 0.24 million. Depending on power energization and usage, variable additional rent may have been payable, with charges ranging from $ 500 to $ 10,000 per month, depending on power energized and whether it is available.

During the years ended December 31, 2023, and 2022, Mawson AU paid Vertua Ltd $ 155,230 and $ 170,806 respectively, for office costs charged with a mark-up. Mr. James Manning, a former director and executive officer, and a significant stockholder of the Company, is also a director of Vertua Ltd. Manning family members also own interests in Vertua Ltd.

During the years ended December 31, 2023, and 2022, Mawson AU paid First Equity Tax Pty Ltd $ 56,036 and $ 42,160 respectively, for tax advisory services. Mr. James Manning, a former director and executive officer, and a significant stockholder of the Company, has interests in and is also a partner of First Equity Tax Pty Ltd.

During the years ended December 31, 2023, and 2022, Mawson AU paid First Equity Advisory Pty Ltd $ 79,818 and $ 28,758 , respectively, for accounting labor services. Mr. James Manning, a former director and executive officer, and a significant stockholder of the Company, has interests in First Equity Advisory Pty Ltd.

During the years ended December 31, 2023,and 2022, Mawson AU paid Defender Investment Management Pty Ltd $ 362,770 and $ 376,802 , respectively, in lieu of paying Mr. Manning directly for his employment. These payments were disclosed in the Executive Summary Compensation table in the Company's 2022 and 2023 Proxy Statements. Mr. James Manning, a former director and executive officer, and a significant stockholder of the Company, and is a director of Defender Investment Management Pty Ltd. Manning family members have equity interests in and control Defender Investment Management Pty Ltd.

During the years ended December 31, 2023, and 2022, Mawson AU paid Manning Motorsports Pty Ltd $ 35,495 and $ 81,608 , respectively, for vehicle services. James Manning, a former director and executive officer, and a significant stockholder of the Company, has direct interests in and is a director of Manning Motorsports Pty Ltd.

During the years ended December 31, 2023, and 2022 , Mawson AU paid International Cargo Solutions, a division of Flynt ICS Pty Ltd, $ 1,248,747 and $4,617,452, respectively, for freight services. Manning Capital Holdings Pty Ltd, a company associated with Mr. Manning may have had debt interests in Flynt ICS Pty Ltd. Vertua Ltd entered into an agreement to acquire International Cargo Solutions, a division of Flynt ICS Pty Ltd in October 2022. The transaction closed on September 30, 2023. Mr. James Manning, a former director and executive officer, and a significant stockholder of the Company, is also a director of Vertua Ltd. Manning family members own interests in Vertua Ltd.

NOTE 14:- RELATED PARTY TRANSACTIONS (Cont.)

There may be additional related party transactions, one of which may be W Capital Advisors Pty Ltd. On September 2, 2022, Mawson AU entered into a Secured Loan Facility Agreement with W Capital Advisors Pty Ltd with a total loan facility of AUD $ 3.00 million (USD $ 1.9 million). This was amended on September 29, 2022, and the loan facility was increased to AUD $ 8.00 million (USD $ 5.2 million). As of December 31, 2023, AUD $ 1.68 million (USD $ 1.15 million) has been drawn down from this facility, all of which is classified as a current liability. Mr. James Manning has not signed a declaration of related party transactions to the Company's satisfaction at the time of this filing.

The Company's Audit Committee commenced an investigation in the third quarter of 2023 into potential related party transactions involving Mr. James Manning, including but not limited to Mr. Manning's failure to appropriately disclose certain transactions, late or incomplete disclosure of certain transactions, and a failure to confirm to the Company's satisfaction that the disclosures made were complete. Following the investigation, the Audit Committee reported its initial findings to the Board on February 15, 2024. Based on the information obtained to date and Mr. Manning's repeated refusal to either provide a full and complete disclosure of his related party transactions (or confirm the accuracy of prior related party disclosures provided to the Company) the Audit Committee determined that there is a prima facie basis to conclude that Mr. Manning did not fully and properly disclose his related party transactions to the Company.

NOTE 15:- SUBSEQUENT EVENTS

Mr. James Manning who stepped down as Chief Executive Officer of the Company, effective May 22, 2023, had agreed with Mawson AU that he would be issued 1.35 million RSUs and his other RSU agreements and entitlements would be cancelled, as set forth in the Company's Current Report on Form 8-K filed May 25, 2023. The Company's Audit Committee commenced an investigation in the third quarter of 2023 into potential related party transactions involving former Board member and CEO, Mr. James E. Manning, including but not limited to Mr. Manning's failure to appropriately disclose certain transactions, late or incomplete disclosure of certain transactions, and a failure to confirm to the Company's satisfaction that the disclosures made were complete. Following the investigation, the Audit Committee reported its initial findings to the Board on February 15, 2024. Based on the information obtained to date and Mr. Manning's repeated refusal to either provide a full and complete disclosure of his related party transactions (or confirm the accuracy of prior related party disclosures provided to the Company) the Audit Committee determined that there is a prima facie basis to conclude that Mr. Manning did not fully and properly disclose his related party transactions to the Company. Based on the information obtained to date and Mr. Manning's repeated refusal to either provide a full and complete disclosure of his related party transactions (or confirm the accuracy of prior related party disclosures provided to the Company) the Audit Committee determined that there is a prima facie basis to conclude that Mr. Manning did not fully and properly disclose his related party transactions to the Company. No material financial impacts are noted.

February 2, 2024, the Company's lease for property in Sharon, Pennsylvania was terminated, and as of March 2024 the Company has moved completely out of the facility, which was a non-operating site.

On March 4, 2024, the Option Agreement dated June 29, 2023, by and between the Company and Rahul Mewawalla, the Company's Chief Executive Officer and President, pursuant to which he was granted these options as of such date to purchase such 1,750,000 shares under the Company's 2021 Equity Plan was cancelled.

On March 4, 2024, the Company granted Restricted Stock Units ("RSU") under the Company's 2021 Equity Incentive Plan (the "Plan"), representing the right to receive, at settlement, 3,505,383 Shares. The RSU's either vest on March 31, 2024, May 30, 2024, or March 31, 2025, subject to the recipients remaining employed by or otherwise providing services to the Company (or one of its subsidiaries) through such date or as pursuant to their employment agreements or their RSU agreements.

On March 19, 2024, MIG No.1 Pty Ltd a wholly owned Australian subsidiary of the Company was placed into a court appointed liquidation and wind-up process. The entity has a secured creditor who has also appointed a Receiver and Manager to protect the assets of the securitized loan.

On March 28, 2024, the Company was made a defendant in a civil suit before the Supreme Court of NSW, Sydney Australia, in the matter entitled "W Capital Advisors Pty Ltd in its capacity as trustee for the W Capital Advisors Fund v. Mawson Infrastructure Group, Inc.", Docket No. 2024/00117331, alleging a claim to seek US$ 166,218.60 as unpaid interest under a convertible note after the Company paid in full the principal of $ 500,000 , and AUD$ 298,926.30 , plus interest and costs for sums alleged to be due under an alleged parent company guarantee of a loan deed executed by its Australian subsidiary, Mawson Infrastructure Group Pty Ltd. (See Item 3. Legal Proceedings section for further details)

(2) Financial Statement Schedules. All financial statement schedules have been omitted since the information is either not applicable or required or is included in the financial statements or notes thereof.

(3) Exhibits. Please see (b) below.

(b) Exhibits

Exhibit Number	Description
3.1	Certificate of Incorporation (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on April 5, 2012)
3.2	Certificate of Amendment to Certificate of Incorporation (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on July 18, 2013)
3.3	Certificate of Amendment to Certificate of Incorporation dated November 15, 2017 (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on November 21, 2017)
3.4	Certificate of Amendment to Certificate of Incorporation dated March 1, 2018 (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on March 5, 2018)
3.5	Certificate of Amendment to Certificate of Incorporation dated March 17, 2021 (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on March 23, 2021)
3.6	Certificate of Amendment to Certificate of Incorporation dated June 9, 2021 (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on June 14, 2021)
3.7	Certificate of Amendment to Certificate of Incorporation dated August 11, 2021 (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on August 16, 2021)
3.8	Certificate of Amendment to Certificate of Incorporation dated February 6, 2023 (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on February 9, 2023)
3.9	Certificate of Registration of a Company of Cosmos Capital Limited ACN 636 458 912 (Incorporated by reference to the Company's Registration Statement on Form S-1 (File No. 333-256947) filed with the SEC on June 9, 2021)
3.10	Constitution of Cosmos Capital Limited (Incorporated by reference to the Company's Registration Statement on Form S-1 (File No. 333-256947) filed with the SEC on June 9, 2021)
3.11	Bylaws (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on May 10, 2013)

4.1	Specimen Common Stock Certificate (Incorporated by reference to Company's Registration Statement on Form S-1 filed with the SEC on February 6, 2018)
4.2#	Description of Securities
4.3	Form of Series A Certificate of Designation (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on October 23, 2018)
4.4	Form of Series B Certificate of Designation (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on January 15, 2020)
4.5	Form of Series A and B Warrant (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on October 23, 2018)
4.6	Form of Warrant Agency Agreement (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on January 5, 2021)
4.7	Form of February 2021 Convertible Note (Incorporated by reference to the Company's Registration Statement on Form S-1 (File No. 333-256947) filed with the SEC on June 9, 2021)
4.8	Warrant issued to HC Wainwright (Incorporated by reference to the Company's Registration Statement on Form S-1 (File No. 333-256947) filed with the SEC on June 9, 2021)
4.9	Warrants issued to W Capital Advisors Pty Limited (Incorporated by reference to the Company's Registration Statement on Form S-1 (File No. 333-256947) filed with the SEC on June 9, 2021)
4.10	Form of Indenture (Incorporated by reference to the Company's Registration Statement on Form S-3/A (File No. 333-258299) filed with the SEC on August 5, 2021)
4.11	Warrant Agreement Dated October 1, 2021, with Computershare Inc., a Delaware corporation ("Computershare"), and its wholly-owned subsidiary, Computershare Trust Company, N.A. (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on October 1, 2021)
4.12	Form of Underwriter Compensation Warrant (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on October 1, 2021)
4.13	Form of Warrant (Incorporated by reference to the Company's Registration Statement on Form S-3 (File No. 333-260600) filed with the SEC on October 29, 2021)
4.14	Warrant Agreement between Mawson Infrastructure Group Inc and Celsius Mining LLC dated February 23, 2022 (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on March 1, 2022)

4.15	Form of Indenture (Incorporated by reference to the Company's Registration Statement on Form S-3 (File No. 333-264062) filed with the SEC on April 1, 2022)
4.16	Form of Secured Convertible Note (Incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on July 14, 2022)
4.17	Form of Warrant (Incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on July 19, 2022)
4.18	Form of Placement Agent Warrant (Incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on July 19, 2022)
4.19	Form of Common Warrant (Incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on May 8, 2023)
4.20	Form of Pre-Funded Warrant (Incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on May 8, 2023)
4.21	Form of Placement Agent Warrant (Incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on May 8, 2023)
4.22	Form of Warrant Amendment Agreement dated May 3, 2023 (Incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on May 8, 2023)
10.1+	2018 Equity Incentive Plan (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on February 28, 2018)
10.2+	Amendment to 2018 Equity Incentive Plan (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on August 21, 2018)
10.3	Form of Stock Restriction Agreement (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on January 19, 2021)
10.4+	Mawson Infrastructure Group Inc.2021 Equity Incentive Plan (Incorporated by reference to the Company's Registration Statement on Form S-8 filed with the SEC on August 17, 2021
10.5	Lease Agreement Between Mawson Infrastructure Group And Jewel Acquisition, LLC dated September 20, 2021 (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on September 21, 2021)
10.6	At The Market Offering Agreement between Mawson Infrastructure Group Inc. and H.C. Wainwright & Co., LLC dated May 27, 2022 (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on May 27, 2022)
10.7	Securities Purchase Agreement, dated July 17, 2022, by and between Mawson Infrastructure Group and the purchases identified on the signature pages thereto (Incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on July 19, 2022)
10.8	Purchase and Sale Agreement, dated as of September 8, 2022, by and among CSRE Properties Sandersville, LLC, Luna Squares LLC, Mawson Infrastructure Group, Inc. and CleanSpark, Inc. (Incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on September 9, 2022)
10.9	First Amendment to Purchase and Sale Agreement by and among CSRE Properties Sandersville, LLC, Luna Squares LLC, Mawson Infrastructure Group, Inc. and CleanSpark, Inc., dated October 8, 2022 (Incorporated by reference to the Company's Current Report on Form 8-K filed with the SEC on October 11, 2022)
10.10+#	Director Appointment Letter between the Company and Rahul Mewawalla dated January 31, 2023
10.11#	Form of Securities Purchase Agreement
10.12+#	Employment Agreement by and between Mawson Infrastructure Group Inc. and Rahul Mewawalla, dated May 22, 2023

10.13#	Letter Deed of Departure by and between Mawson Infrastructure Group Pty Ltd and James Manning, dated May 22, 2023
10.14+#	Chief Financial Officer Offer Letter and Exhibit A
10.15+#	Addendum to Employment Agreement by and between Mawson Infrastructure Group, Inc. and Rahul Mewawalla, dated July 19, 2023
10.16+#	Director Appointment Letter between the Company and Ryan Costello dated September 25, 2023
10.17†#	Service Framework Agreement between Mawson Hosting LLC and CTG Colocation PA LLC, dated October 12, 2023
10.18+#	Addendum to Employment Agreement by and between Mawson Infrastructure Group, Inc. and Rahul Mewawalla, dated December 26, 2023
10.19#	Secured Loan Facility agreement between Mig No.1 Pty Ltd and Marshall Investment MIG Pty Ltd as a trustee for the Marshall Investments MIG Trust, dated on December 9, 2021
10.20#	Loan Deed between Mawson Infrastructure Group Ptd Ltd and W Capital Advisors Pty Ltd as trustee for W Capital Advisors Fund ABN 89 229 295
10.21#	Variation Deed to Loan Deed between Mawson Infrastructure Group Ptd Ltd and W Capital Advisors Pty Ltd as trustee for W Capital Advisors Fund ABN 89 229 295
16.1	Letter from LNP Audit and Assurance International Pty Ltd (Incorporated by reference to Company's Current Report on Form 8-K filed with the SEC on November 14, 2022)

21.1#	Subsidiaries of the Company
23.1#	Consent of Independent Registered Public Accounting Firm (Wolf & Company PC)
23.2#	Consent of Independent Registered Public Accounting Firm (LNP Audit and Assurance International Pty Ltd)
24.1#	Power of Attorney (included on signature page)
31.1#	Certification of Chief Executive Officer pursuant to Sec. 302 of the Sarbanes-Oxley Act of 2002
31.2#	Certification of Chief Financial Officer pursuant to Sec. 302 of the Sarbanes-Oxley Act of 2002
32.1#	Certification of Chief Executive Officer pursuant to 18 U.S.C. SECTION 1350
32.2#	Certification of Chief Financial Officer pursuant to 18 U.S.C. SECTION 1350
97.1#	Clawback Policy
101#	The following materials from Mawson Infrastructure Group Inc.'s Annual Report on Form 10-K for the year ended December 31, 2023 are formatted in XBRL (eXtensible Business Reporting Language): (i) the Balance Sheets, (ii) the Statements of Comprehensive Loss, (iii) Statement of Changes in Shareholders' Equity (Deficiency), (iv) the Statements of Cash Flow, and (iv) Notes to Financial Statements.
104#	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

Filed herewith

† Exhibits and schedules to this exhibit have been omitted pursuant to Item 601(b)(2) of Regulation S-K. We will furnish the omitted exhibits and schedules to the Securities and Exchange Commission upon request by the Securities and Exchange Commission.

+ Management compensatory plan.

(c) Financial Statement Schedules. Please see Item 15(a)(2) above.

ITEM 16. FORM 10-K SUMMARY.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Mawson Infrastructure Group, Inc.

Date: March 29, 2024

By: /s/ Rahul Mewawalla
Rahul Mewawalla
Chief Executive Officer and President
(Principal Executive Officer)

Date: March 29, 2024

By: /s/ William Harrison
William Harrison
Chief Financial Officer
(Principal Financial and Accounting Officer)

POWERS OF ATTORNEY

Each of the undersigned officers and directors of Mawson Infrastructure Group Inc., a Delaware corporation, hereby constitutes and appoints Rahul Mewawalla and William Harrison and each of them, severally, as his or her attorney-in-fact and agent, with full power of substitution and re-substitution, in his or her name and on his or her behalf, to sign in any and all capacities this Annual Report and any and all amendments and exhibits to this Annual Report and any and all applications and other documents relating thereto, with the Securities and Exchange Commission, with full power and authority to perform and do any and all acts and things whatsoever which any such attorney or substitute may deem necessary or advisable to be performed or done in connection with any or all of the above described matters, as fully as each of the undersigned could do if personally present and acting, hereby ratifying and approving all acts of any such attorney or substitute.

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

NAME	TITLE	DATE
/s/ Rahul Mewawalla Rahul Mewawalla	Chief Executive Officer, President and Director (Principal Executive Officer)	March 29, 2024
/s/ William Harrison William Harrison	Chief Financial Officer (Principal Financial and Accounting Officer)	March 29, 2024
/s/ Greg Martin Greg Martin	Director	March 29, 2024
/s/ Michael Hughes Michael Hughes	Director	March 29, 2024

/s/ Ryan Costello Ryan Costello	Director	March 29, 2024

Exhibit 4.2

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

As of March 10, 2022, Mawson Infrastructure Group Inc. (the "Company", "we", "us" or "our") has one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which is our Common Stock, par value $0.001 per share (the "Common Stock"). The Common Stock is currently listed on the Nasdaq Stock Market and trades under the symbol "MIGI." The following is a summary of some of the terms of the Company's Common Stock. This summary is not complete and is subject to and qualified in its entirety by reference to the Company's Restated Certificate of Incorporation, as amended (the "Certificate of Incorporation"), and Amended and Restated Bylaws (the "Bylaws"). The terms of the Common Stock are also subject to and qualified by the Delaware General Corporation Law ("DGCL"). We urge you to read the applicable provisions of the DGCL, our Certificate of Incorporation and our Bylaws.

Authorized Capital Stock

Under our Certificate of Incorporation, we are authorized to issue up to ninety million (90,000,000) shares of Common Stock, and one million (1,000,000) shares of preferred stock.

Common Stock

Holders of our Common Stock are entitled to one vote for each share held on all matters submitted to a vote of our stockholders. Holders of our Common Stock have no cumulative voting rights. Further, holders of our Common Stock have no preemptive or conversion rights or other subscription rights. Upon our liquidation, dissolution or winding-up, holders of our Common Stock are entitled to share in all assets remaining after payment of all liabilities and the liquidation preferences of any of our outstanding shares of preferred stock. Subject to preferences that may be applicable to any outstanding shares of preferred stock, holders of our Common Stock are entitled to receive dividends, if any, as may be declared from time to time by our Board of Directors (the "**Board**") out of our assets which are legally available. Such dividends, if any, are payable in cash, in property or in shares of capital stock.

The holders of shares of our Common Stock that are entitled to cast at least 33⅓ of the total votes entitled to be cast by the holders of all of our outstanding capital stock, present in person or by proxy, are necessary to constitute a quorum at any meeting. If a quorum is present, an action by stockholders entitled to vote on a matter is approved if the number of votes cast in favor of the action exceeds the number of votes cast in opposition to the action, with the exception of the election of directors, which requires a plurality of the votes cast, represented in person or by proxy, necessary to constitute a quorum for the transaction of business at any meeting. If a quorum is present, an action by stockholders entitled to vote on a matter is approved if the number of votes cast in favor of the action exceeds the number of votes cast in opposition to the action, with the exception of the election of directors, which requires a plurality of the votes cast.

Anti-Takeover Provisions of Delaware Law, Our Certificate of Incorporation and Bylaws

The provisions of Delaware law, our Certificate of Incorporation and our Bylaws could discourage or make it more difficult to accomplish a proxy contest or other change in our management or the acquisition of control by a holder of a substantial amount of our voting stock. It is possible that these provisions could make it more difficult to accomplish, or could deter, transactions that stockholders may otherwise consider to be in their best interests or in our best interests. These provisions are intended to enhance the likelihood of continuity and stability in the composition of our Board and in the policies formulated by our Board and to discourage certain types of transactions that may involve an actual or threatened change of our control. These provisions are designed to reduce our vulnerability to an unsolicited acquisition proposal and to discourage certain tactics that may be used in proxy fights. Such provisions also may have the effect of preventing changes in our management.

Delaware Statutory Business Combinations Provision

Section 203 of the DGCL prohibits a publicly-held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three (3) years after the date of the transaction in which the person became an interested stockholder, unless the business combination is, or the transaction in which the person became an interested stockholder was, approved in a prescribed manner or another prescribed exception applies. For purposes of Section 203, a "business combination" is defined broadly to include a merger, asset sale or other transaction resulting in a financial benefit to the interested stockholder, and, subject to certain exceptions, an "interested stockholder" is a person who, together with his or her affiliates and associates, owns, or within three (3) years prior, did own, 15% or more of the corporation's voting stock. However, we elected to opt out of the provisions of Section 203.

Advance Notice Provisions for Stockholder Proposals and Stockholder Nominations of Directors

Our Bylaws provide that, for nominations to our Board or for other business to be properly brought by a stockholder before a meeting of stockholders, the stockholder must first have given timely notice of the proposal in writing to our secretary at our principal offices. For an annual meeting, a stockholder's notice generally must be delivered not less than 45 days nor more than 75 days prior to the one-year anniversary of the date on which we first mailed our proxy materials for the preceding year's annual meeting of stockholders. For an annual meeting, the notice must generally be delivered not later than the close of business on the later of the 90th day prior to such annual meeting or the 10 th day following the day on which public announcement is first made. Detailed requirements as to the form of the notice and information required in the notice are specified in our Bylaws. If it is determined that business was not properly brought before a meeting in accordance with our Bylaws, such business will not be conducted at the meeting.

Special Meetings of Stockholders

Special meetings of the stockholders may be called only by either (i) the chairman of our Board, chief executive officer, or the president, (ii) by our Board pursuant to a resolution adopted by a majority of the total number of directors which we would have if there were no vacancies, or (iii) by the holders of 20% of the total votes entitled to be cast by the holders of all our outstanding capital stock entitled to vote generally in an election of directors.

Stockholder Action by Written Consent

Each of our Certificate of Incorporation and our Bylaws permit our stockholders to act by written consent.

Super Majority Stockholder Vote Required for Certain Actions

The DGCL generally provides that the affirmative vote of a majority of the shares entitled to vote on any matter is required to amend a

corporation's certificate of incorporation or bylaws, unless the corporation's certificate of incorporation or bylaws, as the case may be, requires a greater percentage. Our Certificate of Incorporation requires the affirmative vote of the holders of at least 66⅓ of our outstanding voting stock to amend or repeal any provision of our Bylaws or any amend or repeal any provision of our Certificate of Incorporation relating to limitation of director liability, indemnification and advancement of expenses or amendments to our Certificate of Incorporation or our Bylaws. All other provisions of our Certificate of Incorporation may be amended or repealed by a simple majority vote of our Board.

Dividends

We have not declared any cash dividends on our Common Stock since inception.

Transfer Agent and Registrar

The transfer agent and registrar for our Common Stock is Computershare.

Stock Market Listing

Our Common Stock is currently listed on the Nasdaq Stock Market and trades under the symbol "MIGI."

Certain Effects of Authorized but Unissued Stock

We have shares of Common Stock and preferred stock available for future issuance without stockholder approval. We may issue these additional shares for a variety of corporate purposes, including future public or private offerings to raise additional capital or to facilitate corporate acquisitions or for payment as a dividend on our capital stock. The existence of unissued and unreserved preferred stock may enable our board of directors to issue shares of preferred stock with terms that could render more difficult or discourage a third-party attempt to obtain control of us by means of a merger, tender offer, proxy contest or otherwise, thereby protecting the continuity of our management. In addition, if we issue preferred stock, the issuance could adversely affect the voting power of holders of Common Stock and the likelihood that holders of our Common Stock will receive dividend payments or payments upon liquidation.

Exhibit 10.10

Mawson Infrastructure Group Inc.

Mawson Infrastructure Group, Inc.
Level 5, 97 Pacific Highway
North Sydney NSW 2060

Rahul Mewawalla
5814 149th Ave SE,
Bellevue, WA 98006, USA

Via email: rahul@mewawalla.net

January 30, 2023

RE: Mawson Infrastructure Group, Inc. ("Company")

Dear Mr Mewawalla,

I am pleased to confirm that following the recommendation of the nominating committee, the board of directors of the Company (the " **Board**") has approved your appointment as a member of the Board subject to you confirming that you accept the terms and conditions set out in this letter.

It is understood that you will not be an employee of the Company.

1. **APPOINTMENT**

1.1 Your appointment is subject to the Certificate of Incorporation and By-laws of the Company as is currently in effect and as may be modified or amended from time to time (collectively, the "**Constitution**"). Nothing in this letter will be taken to exclude or vary the terms of the Constitution as it applies to you as a director of the Company. Your continued service as a director is subject to your re-election by the Company's shareholders at the 2023 annual stockholders' meeting and to re-election at any subsequent annual stockholders' meeting at which either the Constitution requires, or the Board resolves, that you stand for re-election.

1.2 Continuation of your service as a director is also contingent on satisfactory performance, as determined by the nominating committee of the Board, and any relevant statutory provisions relating to the removal of a director.

1.3 The nominating committee of the Board may nominate you to serve for successive term(s), in its discretion and subject to your agreement and your re-election at the annual stockholders' meetings in accordance with the Constitution. Notwithstanding any mutual expectation, you have no right to re-nomination by the Board, either annually or after any period of time.

1.4 You may be appointed to serve on one or more committees of the Board. You have been appointed to, and have agreed to serve on, the Nominating and Governance Committee as a member and its Chair, the Audit Committee (as a member) and the Compensation Committee (as a member). The committee charters are available on the Company website.

1.5 You agree to comply with the Code of Ethics, as may be amended from time to time, which is available on the Company website.

Mawson Infrastructure Group Inc.

1.6 If the Board may request that you resign from your role as a member of the Board, and you agree to resign, if you:

(a) commit a material breach of your obligations under this letter;

(b) commit any serious or repeated breach or non-observance of your obligations to the Company (which include an obligation not to breach your duties to the Company, whether statutory, fiduciary or common law);

(c) are guilty of any fraud or dishonesty or have acted in a manner which, in the opinion of the Company acting reasonably, brings or is likely to bring you or the Company in to disrepute or is materially adverse to the interests of the Company;

(d) are convicted of any criminal offence that results in a material penalty or imprisonment;

(e) are restricted or disqualified from acting as a director of any company;

(f) in the opinion of the majority of the Board, become incapable by reason of mental disorder of discharging your duties as a director;

(g) have been absent for more than six consecutive months without permission of the Board from meetings of the directors held during that period and your alternate director (if any) will not have attended any such meeting in your place during such period and all of your co-directors pass a resolution that by reason of such absence you have vacated your office;

(h) are required in writing (whether in electronic form or otherwise) by all your co-directors to resign; or

(i) have not complied with the Company's policies or any material applicable laws.

2. **TIME COMMITMENT**

2.1 You will be expected to spend a sufficient amount of time as may be necessary to adequately prepare for and attend any meetings of the Board and its committees as may be called from time to time. You will be expected to devote such time as is necessary for the proper performance of your duties.

2.2 The nature of the role makes it impossible to be specific about the maximum time commitment, and there is always the possibility of additional time commitment in respect of preparation time and ad hoc matters which may arise from time to time, and particularly when the Company is undergoing a period of increased activity. At certain times it may be necessary to convene additional Board, committee or shareholder meetings.

4. **FEES AND EXPENSES**

4.1 You will be paid an annual fee of US$112,500 gross **("Cash Compensation"),** which shall be paid as a monthly payment.

4.2 In addition, non-employee directors of the Company are entitled to receive an annual equity grant of valued at US$112,500 restricted stock units under the Company's 2021 Equity Incentive Plan, on the usual terms, which shall be granted upon your appointment, with 1/4th vesting immediately and an additional 1/4 th every subsequent quarter. In the event of a Change in Control, all unvested equity shall be deemed earned and vested in full prior to such Change in Control.

4.3 Fees will be subject to periodic review by the compensation committee of the Board.

4.4 The Company will reimburse you for all reasonable and properly-documented expenses you incur in performing the duties of your office. The procedure and other guidance in respect of expense claims is set out in the Company's guide relating to expense claims from time to time or, if no such guide is in place, as agreed with the Chairman of the Board.

4.5 Unless otherwise agreed between you and the compensation committee of the Board, on termination of your services as a director you will only be entitled to such fees and equity as may have accrued to the date of termination, together with reimbursement in the normal way of any expenses properly incurred prior to that date.

5. **INDEPENDENCE AND OUTSIDE INTERESTS**

5.1 The Board of the Company has determined you to be independent, taking account of the guidance contained in Nasdaq Rule 5605 and IM-5605, and taking into account exemptions thereto at Nasdaq Rule 5615.5

5.2 It is accepted and acknowledged that you have business interests other than those of the Company, as set out in the director's questionnaire completed by you.

5.3 Notwithstanding the foregoing, you acknowledge the importance of avoiding conflicts of interest and the appearance of conflicts of interest. Accordingly, you have disclosed all present or currently existing conflicts and agree to disclose to the Company any future commitments, whether such commitments create potential or actual conflicts of interest or the appearance of any conflicts. In the event that you become aware of any further potential or actual conflicts of interest, these should be disclosed to the Chairman as soon as they become apparent and the agreement of the Board may have to be sought. You should immediately recuse yourself from decision making on any matter on which there is a conflict.

5.4 You represent to the Company that the performance of your duties as a director of the Company do not and will not violate any agreement or obligation, whether written or not, that you may have with or to any person.

6. **CONFIDENTIALITY**

6.1 You acknowledge that as a director you will have fiduciary duties to the Company, which include, but are not limited to keeping all information acquired during your appointment confidential and not be releasing, communicating, or disclosing it either during your service or after you stop serving at a director, to third parties without my prior clearance.

Mawson Infrastructure Group Inc.

6.2 You acknowledge the need to hold and retain Company information (in whatever format you may receive it) under appropriately secure conditions.

6.3 You will notify the Company promptly if you are subpoenaed or otherwise served with legal process in any manner involving the Company.

6.4 In the event of any claim or litigation against the Company, or any officer, employee, or director of the Company, based upon any alleged conduct, acts or omissions, you will cooperate with the Company and provide to the Company such information and documents in your possession or control as are necessary and reasonably requested by the Company or its counsel.

6.5 Nothing in this paragraph will prevent you from disclosing information which you are entitled or required to disclose under any statutory provision, provided that the disclosure is made in accordance with the provisions of such statutory provision.

7. **DEALING IN THE COMPANY'S SHARES, FILINGS**

7.1 You agree to comply with the insider trading policy, as may be amended from time to time, which is available on the Company website.

7.2 You agree to give prior notice to the Company of any trades you intend to make in the Company's stock, and the assist the Company with any necessary filings.

8. **REVIEW PROCESS**

The performance of individual directors and the whole Board and its committees is evaluated annually.

9. **INDEPENDENT PROFESSIONAL ADVICE**

Circumstances may occur when, in the execution of your duties as a director, it will be appropriate for you to seek advice from independent advisers at the Company's expense. With the approval of the Chairman, the Company will reimburse the reasonable cost of expenditure incurred by you in such circumstances in accordance with any policy in effect from time to time.

Copies of this advice would normally be expected to be made available to, and for the benefit of all Board members, unless otherwise agreed by the Chairman.

All directors have direct access to the General Counsel / Corporate Secretary for advice and assistance where appropriate. If you wish to contact a member of the Company's management, the Corporate Secretary is available to facilitate that meeting for you.

Mawson Infrastructure Group Inc.

10. **CHANGES TO PERSONAL DETAILS**

You will advise the Corporate Secretary promptly of any change in address or other personal contact details.

11. **RETURN OF PROPERTY**

Upon termination of your service as a director of the Company (for whatever cause), you will deliver to the Company or destroy, at the Company's discretion, all documents, records, papers or other Company property which may be in your possession or under your control, and which relate in any way to the Company's business affairs, and you will not retain any copies thereof.

12. **OTHER**

All the provisions and terms above are subject to NASDAQ regulations and rules, and Delaware Corporation laws and guidelines, and in the event of any conflict, the NASDAQ rules and regulations and the Delaware Corporation laws and guidelines shall supersede the provisions and terms contained herein.

If you are agreeable to accepting your appointment on the foregoing terms and conditions. I would ask you to sign and return one copy of this letter to me.

Yours sincerely

/s/ Greg Martin
Greg Martin
Chairman of the Board
Mawson Infrastructure Group, Inc

Date: 31 January 2023

I confirm and agree to the terms of my appointment as a non-executive director of the Company as set out in this letter.

/s/ Rahul Mewawalla
Rahul Mewawalla

Date: January 30, 2023

Exhibit 10.11

SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement (this " Agreement") is dated as of May 3, 2023, between Mawson Infrastructure Group, Inc., a Delaware corporation (the "Company"), and each purchaser identified on the signature pages hereto (each, including its successors and assigns, a " Purchaser" and collectively the "Purchasers").

WHEREAS, subject to the terms and conditions set forth in this Agreement and pursuant to (i) an effective registration statement under the Securities Act (as defined below) as to the Shares and Prefunded Warrants and (ii) an exemption from the registration requirements of Section 5 of the Securities Act contained in Section 4(a)(2) thereof and/or Regulation D thereunder as to the Common Warrants, the Company desires to issue and sell to each Purchaser, and each Purchaser, severally and not jointly, desires to purchase from the Company, securities of the Company as more fully described in this Agreement.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Company and each Purchaser agree as follows:

ARTICLE I.
DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms have the meanings set forth in this Section 1.1:

"Acquiring Person" shall have the meaning ascribed to such term in Section 4.5.

"Action" shall have the meaning ascribed to such term in Section 3.1(j).

"Affiliate" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person as such terms are used in and construed under Rule 405 under the Securities Act.

"Board of Directors" means the board of directors of the Company.

"Business Day" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed; provided, however, for clarification, commercial banks shall not be deemed to be authorized or required by law to remain closed due to "stay at home", "shelter-in-place", "non-essential employee" or any other similar orders or restrictions or the closure of any physical branch locations at the direction of any governmental authority so long as the electronic funds transfer systems (including for wire transfers) of commercial banks in The City of New York are generally open for use by customers on such day.

"Closing" means the closing of the purchase and sale of the Securities pursuant to Section 2.1.

"Closing Date" means the Trading Day on which all of the Transaction Documents have been executed and delivered by the applicable parties thereto, and all conditions precedent to (i) the Purchasers' obligations to pay the Subscription Amount and (ii) the Company's obligations to deliver the Securities, in each case, have been satisfied or waived, but in no event later than the second (2^{nd}) Trading Day following the date hereof.

"Commission" means the United States Securities and Exchange Commission.

"Common Stock" means the common stock of the Company, par value $0.001 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

"Common Stock Equivalents" means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

"Common Warrants" means, collectively, the Common Stock purchase warrants delivered to the Purchasers at the Closing in accordance with Section 2.2(a) hereof, which Common Warrants shall be exercisable six (6) months following the date of issuance and have a term of exercise equal to five and one-half (5.5) years after the date of issuance, in the form of Exhibit A-1 attached hereto.

"Common Warrant Shares" means the shares of Common Stock issuable upon exercise of the Common Warrants.

"Company Counsel" means Sheppard Mullin Richter & Hampton LLP, with offices located at 12275 El Camino Real, Suite 100, San Diego, California 92130-4092.

"Disclosure Schedules" means the Disclosure Schedules of the Company delivered concurrently herewith.

"Disclosure Time" means, (i) if this Agreement is signed on a day that is not a Trading Day or after 9:00 a.m. (New York City time) and before midnight (New York City time) on any Trading Day, 9:01 a.m. (New York City time) on the Trading Day immediately following the date hereof, unless otherwise instructed as to an earlier time by the Placement Agent, and (ii) if this Agreement is signed between midnight (New York City time) and 9:00 a.m. (New York City time) on any Trading Day, no later than 9:01 a.m. (New York City time) on the date hereof, unless otherwise instructed as to an earlier time by the Placement Agent.

"EGS" means Ellenoff Grossman & Schole LLP, with offices located at 1345 Avenue of the Americas, New York, New York 10105-0302.

"Evaluation Date" shall have the meaning ascribed to such term in Section 3.1(s).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Exempt Issuance" means the issuance of (a) shares of Common Stock, restricted stock, restricted stock units or options to employees, officers or directors of the Company pursuant to any stock or option plan duly adopted for such purpose, by a majority of the non-employee members of the Board of Directors or a majority of the members of a committee of non-employee directors established for such purpose for services rendered to the Company, (b) securities upon the exercise or exchange of or conversion of any Securities issued hereunder and/or other securities exercisable or exchangeable for or convertible into shares of Common Stock issued and outstanding on the date of this Agreement, provided that (other than with respect to the Warrant Amendment (as defined below)) such securities have not been amended since the date of this Agreement to increase the number of such securities or to decrease the exercise price, exchange price or conversion price of such securities (other than in connection with stock splits or combinations) or to extend the term of such securities, (c) warrants to the Placement Agent in connection with the transactions pursuant to this Agreement and any securities upon the exercise of warrants to the Placement Agent, (d) securities issued pursuant to acquisitions or strategic transactions approved by a majority of the disinterested directors of the Company, provided that such securities are issued (i) as "restricted securities" (as defined in Rule 144) and carry no registration rights that require or permit the filing of any registration statement in connection therewith during the prohibition period in Section 4.12(a) herein or (ii) pursuant to a registration statement on Form S-4, and provided that any such issuance shall only be to a Person (or to the equityholders of a Person) which is, itself or through its subsidiaries, an operating company or an owner of an asset in a business synergistic with the business of the Company and shall provide to the Company additional benefits in addition to the investment of funds, but shall not include a transaction in which the Company is issuing securities primarily for the purpose of raising capital or to an entity whose primary business is investing in securities, (e) Common Stock purchase warrants to purchase, in the aggregate, up to 1,500,000 shares of Common Stock, which warrants shall not be exercisable until six months after issuance, have an expiration no longer than the fifth anniversary of the date of issuance, an effective exercise price per share not less than $4.00 per share (subject to adjustment for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions), and which shall otherwise have terms no less favorable to the Company than those provided for in the Common Warrants and (f) securities issued pursuant to an amendment to certain existing warrants held by certain Purchasers (the "Warrant Amendment").

"FCPA" means the Foreign Corrupt Practices Act of 1977, as amended.

"GAAP" shall have the meaning ascribed to such term in Section 3.1(h).

"Indebtedness" shall have the meaning ascribed to such term in Section 3.1(aa).

"Intellectual Property Rights" shall have the meaning ascribed to such term in Section 3.1(p).

"Legend Removal Date" shall have the meaning ascribed to such term in Section 4.1(c).

"Liens" means a lien, charge, pledge, security interest, encumbrance, right of first refusal, preemptive right or similar restriction.

"Material Adverse Effect" shall have the meaning assigned to such term in Section 3.1(b).

"Material Permits" shall have the meaning ascribed to such term in Section 3.1(n).

"Per Share Purchase Price" equals $2.40, subject to adjustment for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions of the Common Stock that occur after the date of this Agreement, provided that the purchase price per Prefunded Warrant shall be the Per Share Purchase Price minus $0.001.

"Person" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

"Placement Agent" means H.C. Wainwright & Co., LLC.

"Prefunded Warrant" means, collectively, the Prefunded Common Stock purchase warrants delivered to the Purchasers at the Closing in accordance with Section 2.2(a) hereof, which Prefunded Warrants shall be exercisable immediately and shall expire when exercised in full, in the form of Exhibit A-2 attached hereto.

"Prefunded Warrant Shares" means the shares of Common Stock issuable upon exercise of the Prefunded Warrants.

"Proceeding" means an action, suit, investigation or proceeding (including, without limitation, an informal investigation or partial proceeding, such as a deposition), whether commenced or threatened, before or by any court, arbitrator, governmental or administrative agency or regulatory authority (federal, state, county, local or foreign).

"Prospectus" means the final prospectus filed for the Registration Statement.

"Prospectus Supplement" means the supplement to the Prospectus complying with Rule 424(b) of the Securities Act that is filed with the Commission and delivered by the Company to each Purchaser at the Closing.

"Purchaser Party" shall have the meaning ascribed to such term in Section 4.8.

"Registration Statement" means the effective registration statement with Commission file No. 333-264062 which registers the sale of the Shares, the Prefunded Warrants and the Prefunded Warrant Shares to the Purchasers.

"Required Approvals" shall have the meaning ascribed to such term in Section 3.1(e).

"Rule 144" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended or interpreted from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

"Rule 424" means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended or interpreted from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

"SEC Reports" shall have the meaning ascribed to such term in Section 3.1(h).

"Securities" means the Shares, the Warrants and the Warrant Shares.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Shares" means the shares of Common Stock issued or issuable to each Purchaser pursuant to this Agreement.

"Short Sales" means all "short sales" as defined in Rule 200 of Regulation SHO under the Exchange Act (but shall not be deemed to include locating and/or borrowing shares of Common Stock).

"Subscription Amount" means, as to each Purchaser, the aggregate amount to be paid for Shares and Warrants purchased hereunder as specified below such Purchaser's name on the signature page of this Agreement and next to the heading "Subscription Amount," in United States dollars and in immediately available funds.

"Subsidiary" means any subsidiary of the Company as set forth on Schedule 3.1(a), and shall, where applicable, also include any direct or indirect subsidiary of the Company formed or acquired after the date hereof.

"Trading Day" means a day on which the principal Trading Market is open for trading.

"Trading Market" means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, or the New York Stock Exchange (or any successors to any of the foregoing).

"Transaction Documents" means this Agreement, the Warrants, all exhibits and schedules thereto and hereto and any other documents or agreements executed in connection with the transactions contemplated hereunder.

"Transfer Agent" means Computershare Trust Company, N.A., the current transfer agent of the Company, and any successor transfer agent of the Company.

"Variable Rate Transaction" shall have the meaning ascribed to such term in Section 4.12(b).

"Warrants" means, collectively, the Common Warrants and the Prefunded Warrants.

"Warrant Shares" means the Common Warrant Shares and the Prefunded Warrant Shares.

ARTICLE II.
PURCHASE AND SALE

2.1 Closing. On the Closing Date, upon the terms and subject to the conditions set forth herein, substantially concurrent with the execution and delivery of this Agreement by the parties hereto, the Company agrees to sell, and the Purchasers, severally and not jointly, agree to purchase, up to an aggregate of $5,000,006.40 of Shares and Common Warrants; provided, however, that, to the extent that a Purchaser determines, in its sole discretion, that such Purchaser (together with such Purchaser's Affiliates, and any Person acting as a group together with such purchaser or any of such Purchaser's Affiliates) would beneficially own in excess of the Beneficial Ownership Limitation, or as such Purchaser may otherwise choose, in lieu of purchasing Shares such Purchaser may elect to purchase Prefunded Warrants in lieu of Shares in such manner to result in the same aggregate purchase price being paid by such Purchaser to the Company. The "Beneficial Ownership Limitation" shall be 4.99% (or, at the election of the Purchaser at Closing, 9.99%) of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of the Securities on the Closing Date. Each Purchaser's Subscription Amount as set forth on the signature page hereto executed by such Purchaser shall be made available for "Delivery Versus Payment" settlement with the Company or its designee. The Company shall deliver to each Purchaser its respective Shares and a Warrant as determined pursuant to Section 2.2(a), and the Company and each Purchaser shall deliver the other items set forth in Section 2.2 deliverable at the Closing. Upon satisfaction of the covenants and conditions set forth in Sections 2.2 and 2.3, the Closing shall occur at the offices of EGS or such other location as the parties shall mutually agree take place remotely by electronic transfer of the Closing documentation. Unless otherwise directed by the Placement Agent, settlement of the Shares shall occur via "Delivery Versus Payment" ("DVP") (i.e., on the Closing Date, the Company shall issue the Shares registered in the Purchasers' names and addresses and released by the Transfer Agent directly to the account(s) at the Placement Agent identified by each Purchaser; upon receipt of such Shares, the Placement Agent shall promptly electronically deliver such Shares to the applicable Purchaser, and payment therefor shall be made by the Placement Agent (or its clearing firm) by wire transfer to the Company). Notwithstanding anything herein to the contrary, if at any time on or after the time of execution of this Agreement by the Company and an applicable Purchaser, through, and including the time immediately prior to the Closing (the "Pre-Settlement Period"), such Purchaser sells to any Person all, or any portion, of the Shares to be issued hereunder to such Purchaser at the Closing (collectively, the "Pre-Settlement Shares"), such Purchaser shall, automatically hereunder (without any additional required actions by such Purchaser or the Company), be deemed to be unconditionally bound to purchase, such Pre-Settlement Shares to such Purchaser at the Closing; provided, that the Company shall not be required to deliver any Pre-Settlement Shares to such Purchaser prior to the Company's receipt of the purchase price of such Pre-Settlement Shares hereunder; and provided further that the Company hereby acknowledges and agrees that the forgoing shall not constitute a representation or covenant by such Purchaser as to whether or not during the Pre- Settlement Period such Purchaser shall sell any shares of Common Stock to any Person and that any such decision to sell any shares of Common Stock by such Purchaser shall solely be made at the time such Purchaser elects to effect any such sale, if any. Notwithstanding the foregoing, with respect to any Notice(s) of Exercise (as defined in the Prefunded Warrants) delivered on or prior to 12:00 p.m. (New York City time) on the Closing Date, which may be delivered at any time after the time of execution of this Agreement, the Company agrees to deliver the Prefunded Warrant Shares subject to such notice(s) by 4:00 p.m. (New York City time) on the Closing Date and the Closing Date shall be the Warrant Share Delivery Date (as defined in the Prefunded Warrants) for purposes hereunder.

2.2 Deliveries.

(a) On or prior to the Closing Date (except as indicated below), the Company shall deliver or cause to be delivered to each Purchaser the following:

(i) this Agreement duly executed by the Company;

(ii) a legal opinion of Company Counsel, substantially in the form of Exhibit B attached hereto;

(iii) subject to the fourth sentence of Section 2.1, the Company shall have provided each Purchaser with the Company's wire instructions, on Company letterhead and executed by the Chief Executive Officer or Chief Financial Officer;

(iv) subject to the fourth sentence of Section 2.1, a copy of the irrevocable instructions to the Transfer Agent instructing the Transfer Agent to deliver on an expedited basis via The Depository Trust Company Deposit or Withdrawal at Custodian system ("DWAC") Shares equal to such Purchaser's Subscription Amount divided by the Per Share Purchase Price, registered in the name of such Purchaser (minus the number of shares of Common Stock issuable upon exercise of such Purchaser's Prefunded Warrants, if applicable);

(v) a Common Warrant registered in the name of such Purchaser to purchase up to a number of shares of Common Stock equal to 125% of the sum of such Purchaser's Shares and Prefunded Warrant Shares on the date hereof, with an exercise price equal to $3.23, subject to adjustment therein;

(vi) for each Purchaser of Prefunded Warrants pursuant to Section 2.1, a Prefunded Warrant registered in the name of such Purchaser to purchase up to a number of shares of Common Stock equal to the portion of such Purchaser's Subscription Amount applicable to Prefunded Warrant divided by the Per Share Purchase Price minus $0.001, with an exercise price equal to $0.001, subject to adjustment therein; and

(vii) the Prospectus and Prospectus Supplement (which may be delivered in accordance with Rule 172 under the Securities Act).

(b) On or prior to the Closing Date, each Purchaser shall deliver or cause to be delivered to the Company the following:

(i) this Agreement duly executed by such Purchaser; and

(ii) such Purchaser's Subscription Amount, which shall be made available for "Delivery Versus Payment" settlement with the Company or its designee.

2.3 Closing Conditions.

(a) The obligations of the Company hereunder in connection with the Closing are subject to the following conditions being met:

(i) the accuracy in all material respects (or, to the extent representations or warranties are qualified by materiality, in all respects) when made and on the Closing Date of the representations and warranties of the Purchasers contained herein (unless as of a specific date therein in which case they shall be accurate in all material respects (or, to the extent representations or warranties are qualified by materiality, in all respects) as of such date);

(ii) all obligations, covenants and agreements of each Purchaser required to be performed at or prior to the Closing Date shall have been performed; and

(iii) the delivery by each Purchaser of the items set forth in Section 2.2(b) of this Agreement.

(b) The respective obligations of the Purchasers hereunder in connection with the Closing are subject to the following conditions being met:

(i) the accuracy in all material respects (or, to the extent representations or warranties are qualified by materiality or Material Adverse Effect, in all respects) when made and on the Closing Date of the representations and warranties of the Company contained herein (unless as of a specific date therein in which case they shall be accurate in all material respects or, to the extent representations or warranties are qualified by materiality or Material Adverse Effect, in all respects) as of such date);

(ii) all obligations, covenants and agreements of the Company required to be performed at or prior to the Closing Date shall have been performed;

(iii) the delivery by the Company of the items set forth in Section 2.2(a) of this Agreement;

(iv) there shall have been no Material Adverse Effect with respect to the Company since the date of this Agreement; and

(v) from the date hereof to the Closing Date, trading in the Common Stock shall not have been suspended by the Commission or the Company's principal Trading Market, and, at any time prior to the Closing Date, trading in securities generally as reported by Bloomberg L.P. shall not have been suspended or limited, or minimum prices shall not have been established on securities whose trades are reported by such service, or on any Trading Market, nor shall a banking moratorium have been declared either by the United States or New York State authorities nor shall there have occurred any material outbreak or escalation of hostilities or other national or international calamity of such magnitude in its effect on, or any material adverse change in, any financial market which, in each case, in the reasonable judgment of such Purchaser, makes it impracticable or inadvisable to purchase the Securities at the Closing.

ARTICLE III.
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company . Except as set forth in the Disclosure Schedules, which Disclosure Schedules shall be deemed a part hereof and shall qualify any representation or otherwise made herein to the extent of the disclosure contained in the corresponding section of the Disclosure Schedules, the Company hereby makes the following representations and warranties to each Purchaser:

(a) Subsidiaries. All of the direct and indirect subsidiaries of the Company are set forth on Schedule 3.1(a). Except as set forth on Schedule 3.1(a), the Company owns, directly or indirectly, all of the capital stock or other equity interests of each Subsidiary free and clear of any Liens, and all of the issued and outstanding shares of capital stock of each Subsidiary are validly issued and are fully paid, non-assessable and free of preemptive and similar rights to subscribe for or purchase securities. If the Company has no subsidiaries, all other references to the Subsidiaries or any of them in the Transaction Documents shall be disregarded.

(b) Organization and Qualification. The Company and each of the Subsidiaries is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization (to the extent such good standing concept exists in such jurisdiction), with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. Neither the Company nor any Subsidiary is in violation nor default of any of the provisions of its respective certificate or articles of incorporation, bylaws or other organizational or charter documents. Each of the Company and the Subsidiaries is duly qualified to conduct business and is in good standing (to the extent such good standing concept exists in such jurisdiction) as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, would not have or reasonably be expected to result in: (i) a material adverse effect on the legality, validity or enforceability of any Transaction Document, (ii) a material adverse effect on the results of operations, assets, business, prospects or condition (financial or otherwise) of the Company and the Subsidiaries, taken as a whole, or (iii) a material adverse effect on the Company's ability to perform in any material respect on a timely basis its obligations under any Transaction Document (any of (i), (ii) or (iii), a "Material Adverse Effect") and no Proceeding has been instituted in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification.

(c) Authorization; Enforcement. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this Agreement and each of the other Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement and each of the other Transaction Documents by the Company and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Company and no further action is required by the Company, the Board of Directors or the Company's stockholders in connection herewith or therewith other than in connection with the Required Approvals. This Agreement and each other Transaction Document to which it is a party has been (or upon delivery will have been) duly executed by the Company and, when delivered in accordance with the terms hereof and thereof, will constitute the valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(d) No Conflicts. The execution, delivery and performance by the Company of this Agreement and the other Transaction Documents to which it is a party, the issuance and sale of the Securities and the consummation by it of the transactions contemplated hereby and thereby do not and will not (i) conflict with or violate any provision of the Company's or any Subsidiary's certificate or articles of incorporation, bylaws or other organizational or charter documents, or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the creation of any Lien upon any of the properties or assets of the Company or any Subsidiary, or give to others any rights of termination, amendment, anti-dilution or similar adjustments, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, credit facility, debt or other instrument (evidencing a Company or Subsidiary debt or otherwise) or other understanding to which the Company or any Subsidiary is a party or by which any property or asset of the Company or any Subsidiary is bound or affected, or (iii) subject to the Required Approvals, conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Company or a Subsidiary is subject (including federal and state securities laws and regulations), or by which any property or asset of the Company or a Subsidiary is bound or affected; except in the case of each of clauses (ii) and (iii), such as would not have or reasonably be expected to result in a Material Adverse Effect.

(e) Filings, Consents and Approvals. The Company is not required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority or other Person in connection with the execution, delivery and performance by the Company of the Transaction Documents, other than: (i) the filings required pursuant to Section 4.4 of this Agreement, (ii) the filing with the Commission of the Prospectus Supplement, (iii) application(s) to each applicable Trading Market for the listing of the Shares and Warrant Shares for trading thereon in the time and manner required thereby, (iv) the filing of Form D with the Commission and applicable state securities regulators and (v) such filings as are required to be made under applicable state securities laws (collectively, the "Required Approvals").

(f) Issuance of the Securities; Registration. The Securities are duly authorized and, when issued and paid for in accordance with the applicable Transaction Documents, will be duly and validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Company. The Warrant Shares and Prefunded Warrant Shares, when issued in accordance with the terms of the Warrants and Prefunded Warrants, will be validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Company. The Company has reserved from its duly authorized capital stock the maximum number of shares of Common Stock issuable pursuant to this Agreement and the Warrants and Prefunded Warrants. The Company has prepared and filed the Registration Statement in conformity with the requirements of the Securities Act, which became effective on April 11, 2022 (the "Effective Date"), including the Prospectus, and such amendments and supplements thereto as may have been required to the date of this Agreement. The Registration Statement is effective under the Securities Act and no stop order preventing or suspending the effectiveness of the Registration Statement or suspending or preventing the use of the Prospectus has been issued by the Commission and no proceedings for that purpose have been instituted or, to the knowledge of the Company, are threatened by the Commission. The Company, if required by the rules and regulations of the Commission, shall file the Prospectus Supplement with the Commission pursuant to Rule 424(b). At the time the Registration Statement and any amendments thereto became effective, at the date of this Agreement and at the Closing Date, the Registration Statement and any amendments thereto conformed and will conform in all material respects to the requirements of the Securities Act and did not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading; and the Prospectus and any amendments or supplements thereto, at the time the Prospectus or any amendment or supplement thereto was issued and at the Closing Date, conformed and will conform in all material respects to the requirements of the Securities Act and did not and will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Company was at the time of the filing of the Registration Statement eligible to use Form S-3. The Company is eligible to use Form S-3 under the Securities Act and it meets the transaction requirements with respect to the aggregate market value of securities being sold pursuant to this offering and during the twelve (12) months prior to this offering, as set forth in General Instruction I.B.6 of Form S-3.

(g) Capitalization. The capitalization of the Company as of the date hereof is as set forth on Schedule 3.1(g), which Schedule 3.1(g) shall also include the number of shares of Common Stock owned beneficially, and of record, by Affiliates of the Company as of the date hereof. Except as set forth on Schedule 3.1(g), the Company has not issued any capital stock since its most recently filed periodic report under the Exchange Act, other than pursuant to the exercise of employee stock options under the Company's stock option plans, the issuance of shares of Common Stock to employees pursuant to the Company's employee stock purchase plans and pursuant to the conversion and/or exercise of Common Stock Equivalents outstanding as of the date of the most recently filed periodic report under the Exchange Act. No Person has any right of first refusal, preemptive right, right of participation, or any similar right to participate in the transactions contemplated by the Transaction Documents. Except as a result of the purchase and sale of the Securities and as set forth on Schedule 3.1(g), there are no outstanding options, warrants, scrip rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities, rights or obligations convertible into or exercisable or exchangeable for, or giving any Person any right to subscribe for or acquire, any shares of Common Stock or the capital stock of any Subsidiary, or contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to issue additional shares of Common Stock or Common Stock Equivalents or capital stock of any Subsidiary. The issuance and sale of the Securities will not obligate the Company or any Subsidiary to issue shares of Common Stock or other securities to any Person (other than the Purchasers). Except as set forth on Schedule 3.1(g), there are no outstanding securities or instruments of the Company or any Subsidiary with any provision that adjusts the exercise, conversion, exchange or reset price of such security or instrument upon an issuance of securities by the Company or any Subsidiary (for purposes of clarity, excluding only customary proportionate adjustments of the exercise, conversion, exchange or reset price in connection with a subdivision of the outstanding shares of Common Stock into a larger number of shares or a combination of the outstanding shares of Common Stock into a smaller number of shares). Except as set forth on Schedule 3.1(g), there are no outstanding securities or instruments of the Company or any Subsidiary that contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to redeem a security of the Company or such Subsidiary. Except as set forth on Schedule 3.1(g), the Company does not have any stock appreciation rights or "phantom stock" plans or agreements or any similar plan or agreement. To the Company's knowledge, all of the outstanding shares of capital stock of the Company are duly authorized, validly issued, fully paid and nonassessable, have been issued in compliance with all federal and state securities laws, and none of such outstanding shares was issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities. No further approval or authorization of any stockholder, the Board of Directors or others is required for the issuance and sale of the Securities. Except as set forth on Schedule 3.1(g), there are no stockholders agreements, voting agreements or other similar agreements with respect to the voting of the Company's capital stock to which the Company is a party or, to the knowledge of the Company, between or among any of the Company's stockholders.

(h) SEC Reports; Financial Statements. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by the Company under the Securities Act and the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, for the two years preceding the date hereof (or such shorter period as the Company was required by law or regulation to file such material) (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, together with the Prospectus and the Prospectus Supplement, being collectively referred to herein as the "SEC Reports") on a timely basis or has received a valid extension of such time of filing and has filed any such SEC Reports prior to the expiration of any such extension. As of their respective dates, the SEC Reports complied in all material respects with the requirements of the Securities Act and the Exchange Act, as applicable, and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Company has not in the prior four years been an issuer described in Rule 144(i) under the Securities Act. The financial statements of the Company included in the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing. Such financial statements have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis during the periods involved ("GAAP"), except as may be otherwise specified in such financial statements or the notes thereto and except that unaudited financial statements may not contain all footnotes required by GAAP, and fairly present in all material respects the financial position of the Company and its consolidated Subsidiaries as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal, immaterial, year-end audit adjustments.

(i) Material Changes; Undisclosed Events, Liabilities or Developments. Since the date of the latest audited financial statements included within the SEC Reports, except as set forth on Schedule 3.1(i), (i) there has been no event, occurrence or development that has had or that would reasonably be expected to result in a Material Adverse Effect, (ii) the Company has not incurred any liabilities (contingent or otherwise) other than (A) trade payables and accrued expenses incurred in the ordinary course of business consistent with past practice and (B) liabilities not required to be reflected in the Company's financial statements pursuant to GAAP or required to be disclosed in filings made with the Commission, (iii) the Company has not altered its method of accounting, (iv) the Company has not declared or made any dividend or distribution of cash or other property to its stockholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its capital stock and (v) the Company has not issued any equity securities to any officer, director or Affiliate, except pursuant to existing Company stock option plans. The Company does not have pending before the Commission any request for confidential treatment of information. Except for the issuance of the Securities contemplated by this Agreement or as set forth on Schedule 3.1(i), no event, liability, fact, circumstance, occurrence or development has occurred or exists or is reasonably expected to occur or exist with respect to the Company or its Subsidiaries or their respective businesses, prospects, properties, operations, assets or financial condition that would be required to be disclosed by the Company under applicable securities laws at the time this representation is made or deemed made that has not been publicly disclosed at least one (1) Trading Day prior to the date that this representation is made.

(j) Litigation. Except as set forth on Schedule 3.1(j), there is no action, suit, inquiry, notice of violation, proceeding or investigation pending or, to the knowledge of the Company, threatened against or affecting the Company, any Subsidiary or any of their respective properties before or by any court, arbitrator, governmental or administrative agency or regulatory authority (federal, state, county, local or foreign) (collectively, an "Action"). None of the Actions set forth on Schedule 3.1(j), (i) adversely affects or challenges the legality, validity or enforceability of any of the Transaction Documents or the Securities or (ii) would, if there were an unfavorable decision, have or reasonably be expected to result in a Material Adverse Effect. Neither the Company nor any Subsidiary, nor, to the knowledge of the Company, any director or officer thereof, is or has been the subject of any Action involving a claim of violation of or liability under federal or state securities laws or a claim of breach of fiduciary duty. There has not been, and to the knowledge of the Company, there is not pending or contemplated, any investigation by the Commission involving the Company or any current or former director or officer of the Company. The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company or any Subsidiary under the Exchange Act or the Securities Act.

(k) Labor Relations. No material labor dispute exists or, to the knowledge of the Company, is imminent with respect to any of the employees of the Company, which would reasonably be expected to result in a Material Adverse Effect. None of the Company's or its Subsidiaries' employees is a member of a union that relates to such employee's relationship with the Company or such Subsidiary, and neither the Company nor any of its Subsidiaries is a party to a collective bargaining agreement, and the Company and its Subsidiaries believe that their relationships with their employees are good. To the knowledge of the Company, no executive officer of the Company or any Subsidiary, is, or is now expected to be, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement or non-competition agreement, or any other contract or agreement or any restrictive covenant in favor of any third party, and the continued employment of each such executive officer does not subject the Company or any of its Subsidiaries to any liability with respect to any of the foregoing matters. The Company and its Subsidiaries are in compliance with all U.S. federal, state, local and foreign laws and regulations relating to employment and employment practices, terms and conditions of employment and wages and hours, except where the failure to be in compliance would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(l) Compliance. Neither the Company nor any Subsidiary: (i) is in default under or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company or any Subsidiary under), nor has the Company or any Subsidiary received notice of a claim that it is in default under or that it is in violation of, any indenture, loan or credit agreement or any other agreement or instrument to which it is a party or by which it or any of its properties is bound (whether or not such default or violation has been waived), (ii) is in violation of any judgment, decree or order of any court, arbitrator or other governmental authority or (iii) is or has been in violation of any statute, rule, ordinance or regulation of any governmental authority, including without limitation all foreign, federal, state and local laws relating to taxes, environmental protection, occupational health and safety, product quality and safety and employment and labor matters, except in each case as would not have or reasonably be expected to result in a Material Adverse Effect.

(m) Environmental Laws. The Company and its Subsidiaries (i) are in compliance with all federal, state, local and foreign laws relating to pollution or protection of human health or the environment (including ambient air, surface water, groundwater, land surface or subsurface strata), including laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, or toxic or hazardous substances or wastes (collectively, "Hazardous Materials") into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands, or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations, issued, entered, promulgated or approved thereunder ("Environmental Laws"); (ii) have received all permits licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses; and (iii) are in compliance with all terms and conditions of any such permit, license or approval where in each clause (i), (ii) and (iii), the failure to so comply would be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

(n) Regulatory Permits. The Company and the Subsidiaries possess all certificates, authorizations and permits issued by the appropriate federal, state, local or foreign regulatory authorities necessary to conduct their respective businesses as described in the SEC Reports, except where the failure to possess such permits would not reasonably be expected to result in a Material Adverse Effect ("Material Permits"), and neither the Company nor any Subsidiary has received any notice of proceedings relating to the revocation or modification of any Material Permit.

(o) Title to Assets. The Company and the Subsidiaries have good and marketable title in fee simple to all real property owned by them, and good and marketable title in all personal property owned by them, and valid leasehold rights to lease or otherwise use all real property and all personal property leased by them, that is material to the business of the Company and the Subsidiaries, in each case free and clear of all Liens, except for (i) Liens as do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company and the Subsidiaries, (ii) Liens for the payment of federal, state or other taxes, for which appropriate reserves have been made therefor in accordance with GAAP and, the payment of which is neither delinquent nor subject to penalties and (iii) Liens set forth on Schedule 3.1(g). Any real property and facilities held under lease by the Company and the Subsidiaries are held by them under valid, subsisting and enforceable leases with which the Company and the Subsidiaries are in compliance in all material respects.

(p) Intellectual Property. The Company and the Subsidiaries have, or have rights to use, all patents, patent applications, trademarks, trademark applications, service marks, trade names, trade secrets, inventions, copyrights, licenses and other intellectual property rights and similar rights necessary or required for use in connection with their respective businesses as described in the SEC Reports and which the failure to so have would have a Material Adverse Effect (collectively, the "Intellectual Property Rights"). None of, and neither the Company nor any Subsidiary has received a notice (written or otherwise) that any of, the Intellectual Property Rights has expired, terminated or been abandoned, or is expected to expire or terminate or be abandoned, within two (2) years from the date of this Agreement. Neither the Company nor any Subsidiary has received, since the date of the latest audited financial statements included within the SEC Reports, a written notice of a claim or otherwise has any knowledge that the Intellectual Property Rights violate or infringe upon the rights of any Person, except as would not have or reasonably be expected to not have a Material Adverse Effect. To the knowledge of the Company, all such Intellectual Property Rights are enforceable (other than patent and trademark applications) and there is no existing infringement by another Person of any of the Intellectual Property Rights. The Company and its Subsidiaries have taken reasonable security measures to protect the secrecy, confidentiality and value of all of their Intellectual Property Rights, except where failure to do so would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(q) Insurance. The Company and the Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary for companies of similar size as the Company in the businesses in which the Company and the Subsidiaries are engaged, other than directors and officers insurance coverage. Neither the Company nor any Subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without a significant increase in cost which would reasonably be expected to have a Material Adverse Effect.

(r) Transactions With Affiliates and Employees. Except as set forth on Schedule 3.1(r), none of the officers or directors of the Company or any Subsidiary and, to the knowledge of the Company, none of the employees of the Company or any Subsidiary is presently a party to any transaction with the Company or any Subsidiary (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, providing for the borrowing of money from or lending of money to or otherwise requiring payments to or from any officer, director or such employee or, to the knowledge of the Company, any entity in which any officer, director, or any such employee has a substantial interest or is an officer, director, trustee, stockholder, member or partner, in each case in excess of $120,000 other than for (i) payment of salary or consulting fees for services rendered, (ii) reimbursement for expenses incurred on behalf of the Company and (iii) other employee benefits, including stock option agreements under any stock option plan of the Company.

(s) Sarbanes-Oxley; Internal Accounting Controls. Except as set forth on Schedule 3.1(s), the Company and the Subsidiaries are in compliance with any and all applicable requirements of the Sarbanes-Oxley Act of 2002, as amended that are effective as of the date hereof, and any and all applicable rules and regulations promulgated by the Commission thereunder that are effective as of the date hereof and as of the Closing Date. The Company and the Subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company and the Subsidiaries have established disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and the Subsidiaries and designed such disclosure controls and procedures to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms. The Company's certifying officers have evaluated the effectiveness of the disclosure controls and procedures of the Company and the Subsidiaries as of the end of the period covered by the most recently filed periodic report

under the Exchange Act (such date, the "Evaluation Date"). The Company presented in its most recently filed periodic report under the Exchange Act the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date. Since the Evaluation Date, there have been no changes in the internal control over financial reporting (as such term is defined in the Exchange Act) of the Company and its Subsidiaries that have materially affected, or is reasonably likely to materially affect, the internal control over financial reporting of the Company and its Subsidiaries.

(t) Certain Fees. Except for fees payable by the Company to the Placement Agent, no brokerage or finder's fees or commissions are or will be payable by the Company or any Subsidiary to any broker, financial advisor or consultant, finder, placement agent, investment banker, bank or other Person with respect to the transactions contemplated by the Transaction Documents. The Purchasers shall have no obligation with respect to any fees or with respect to any claims made by or on behalf of other Persons for fees of a type contemplated in this Section that may be due in connection with the transactions contemplated by the Transaction Documents.

(u) Investment Company. The Company is not, and immediately after receipt of payment for the Securities will not be, an "investment company" or a company that is "controlled" by an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended. The Company shall conduct its business in a manner so that it will not become an "investment company" subject to registration under the Investment Company Act of 1940, as amended.

(v) Registration Rights. Except as set forth on Schedule 3.1(v), no Person has any right to cause the Company or any Subsidiary to effect the registration under the Securities Act of any securities of the Company or any Subsidiary.

(w) Listing and Maintenance Requirements. The Common Stock is registered pursuant to Section 12(b) or 12(g) of the Exchange Act, and the Company has taken no action designed to, or which to its knowledge is likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act nor has the Company received any notification that the Commission is contemplating terminating such registration. Except as set forth on Schedule 3.1(w), the Company has not, in the 12 months preceding the date hereof, received notice from any Trading Market on which the Common Stock is or has been listed or quoted to the effect that the Company is not in compliance with the listing or maintenance requirements of such Trading Market. Except as set forth on Schedule 3.1(w), the Company is, and has no reason to believe that it will not in the foreseeable future continue to be, in compliance with all such listing and maintenance requirements. The Common Stock is currently eligible for electronic transfer through the Depository Trust Company or another established clearing corporation and the Company is current in payment of the fees to the Depository Trust Company (or such other established clearing corporation) in connection with such electronic transfer.

(x) Application of Takeover Protections. The Company and the Board of Directors have taken all necessary action, if any, in order to render inapplicable any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or other similar anti-takeover provision under the Company's certificate of incorporation (or similar charter documents) or the laws of its state of incorporation that is or would become applicable to the Purchasers as a result of the Purchasers and the Company fulfilling their obligations or exercising their rights under the Transaction Documents, including without limitation as a result of the Company's issuance of the Securities and the Purchasers' ownership of the Securities.

(y) Disclosure. Except with respect to the material terms and conditions of the transactions contemplated by the Transaction Documents, the Company confirms that neither it nor any other Person acting on its behalf has provided any of the Purchasers or their agents or counsel with any information that it believes constitutes or might constitute material, non-public information which is not otherwise disclosed in the Prospectus Supplement. The Company understands and confirms that the Purchasers will rely on the foregoing representation in effecting transactions in securities of the Company. All of the disclosure furnished by or on behalf of the Company to the Purchasers regarding the Company and its Subsidiaries, their respective businesses and the transactions contemplated hereby, including the Disclosure Schedules to this Agreement, is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. The press releases disseminated by the Company during the twelve months preceding the date of this Agreement taken as a whole do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made and when made, not misleading. The Company acknowledges and agrees that no Purchaser makes or has made any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in Section 3.2 hereof.

(z) No Integrated Offering. Assuming the accuracy of the Purchasers' representations and warranties set forth in Section 3.2, neither the Company, nor any of its Affiliates, nor any Person acting on its or their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would cause this offering of the Securities to be integrated with prior offerings by the Company for purposes of (i) the Securities Act which would require the registration of the Common Warrants or Common Warrant Shares under the Securities Act, or (ii) any applicable shareholder approval provisions of any Trading Market on which any of the securities of the Company are listed or designated.

(aa) Solvency. Based on the consolidated financial condition of the Company as of the Closing Date, after giving effect to the receipt by the Company of the proceeds from the sale of the Securities hereunder, (i) the fair saleable value of the Company's assets exceeds the amount that will be required to be paid on or in respect of the Company's existing debts and other liabilities (including known contingent liabilities) as they mature, (ii) the Company's assets do not constitute unreasonably small capital to carry on its business as now conducted and as proposed to be conducted including its capital needs taking into account the particular capital requirements of the business conducted by the Company, consolidated and projected capital requirements and capital availability thereof, and (iii) the current cash flow of the Company, together with the proceeds the Company would receive, were it to liquidate all of its assets, after taking into account all anticipated uses of the cash, would be sufficient to pay all amounts on or in respect of its liabilities when such amounts are required to be paid. The Company does not intend to incur debts beyond its ability to pay such debts as they mature (taking into account the timing and amounts of cash to be payable on or in respect of its debt). The Company has no knowledge of any facts or circumstances which lead it to believe that it will file for reorganization or liquidation under the bankruptcy or reorganization laws of any jurisdiction within one year from the Closing Date. Schedule 3.1(aa) sets forth as of the date hereof all outstanding secured and unsecured Indebtedness of the Company or any Subsidiary, or for which the Company or any Subsidiary has commitments. For the purposes of this Agreement, "Indebtedness" means (x) any liabilities for borrowed money or amounts owed in excess of $50,000 (other than trade accounts payable incurred in the ordinary course of business), (y) all guaranties, endorsements and other contingent obligations in respect of indebtedness of others, whether or not the same are or should be reflected in the Company's consolidated balance sheet (or the notes thereto), except guaranties by endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business; and (z) the present value of any lease payments in excess of $50,000 due under leases required to be capitalized in accordance with GAAP. Neither the Company nor any Subsidiary is in default with respect to any Indebtedness.

(bb) Tax Status. Except for matters that would not, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect, the Company and its Subsidiaries each (i) has made or filed all United States federal, state and local income and all foreign income and franchise tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations and (iii) has set aside on its books provision reasonably adequate for the payment of all material taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the officers of the Company or of any Subsidiary know of no basis for any such claim.

(cc) Foreign Corrupt Practices. Neither the Company nor any Subsidiary, nor to the knowledge of the Company or any Subsidiary, any agent or other person acting on behalf of the Company or any Subsidiary, has (i) directly or indirectly, used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (iii) failed to disclose fully any contribution made by the Company or any Subsidiary (or made by any person acting on its behalf of which the Company is aware) which is in violation of law, or (iv) violated in any material respect any provision of FCPA.

(dd) Accountants. The Company's accounting firm is set forth on Schedule 3.1(dd) of the Disclosure Schedules. To the knowledge and belief of the Company, such accounting firm (i) is a registered public accounting firm as required by the Exchange Act and (ii) shall express its opinion with respect to the financial statements to be included in the Company's next Annual Report.

(ee) Acknowledgment Regarding Purchasers' Purchase of Securities. The Company acknowledges and agrees that each of the Purchasers is acting solely in the capacity of an arm's length purchaser with respect to the Transaction Documents and the transactions contemplated thereby. The Company further acknowledges that no Purchaser is acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated thereby and any advice given by any Purchaser or any of their respective representatives or agents in connection with the Transaction Documents and the transactions contemplated thereby is merely incidental to the Purchasers' purchase of the Securities. The Company further represents to each Purchaser that the Company's decision to enter into this Agreement and the other Transaction Documents has been based solely on the independent evaluation of the transactions contemplated hereby by the Company and its representatives.

(ff) Acknowledgment Regarding Purchaser's Trading Activity. Anything in this Agreement or elsewhere herein to the contrary notwithstanding (except for Sections 3.2(f) and 4.14 hereof), it is understood and acknowledged by the Company that: (i) none of the Purchasers has been asked by the Company to agree, nor has any Purchaser agreed, to desist from purchasing or selling, long and/or short, securities of the Company, or "derivative" securities based on securities issued by the Company or to hold the Securities for any specified term; (ii) past or future open market or other transactions by any Purchaser, specifically including, without limitation, Short Sales or "derivative" transactions, before or after the closing of this or future private placement transactions, may negatively impact the market price of the Company's publicly-traded securities; (iii) any Purchaser, and counter-parties in "derivative" transactions to which any such Purchaser is a party, directly or indirectly, presently may have a "short" position in the Common Stock, and (iv) each Purchaser shall not be deemed to have any affiliation with or control over any arm's length counter-party in any "derivative" transaction. The Company further understands and acknowledges that (y) one or more Purchasers may engage in hedging activities at various times during the period that the Securities are outstanding, including, without limitation, during the periods that the value of the Warrant Shares deliverable with respect to Securities are being determined, and (z) such hedging activities (if any) could reduce the value of the existing stockholders' equity interests in the Company at and after the time that the hedging activities are being conducted. The Company acknowledges that such aforementioned hedging activities do not constitute a breach of any of the Transaction Documents.

(gg) Regulation M Compliance. The Company has not, and to its knowledge no one acting on its behalf has, (i) taken, directly or indirectly, any action designed to cause or to result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Securities, (ii) sold, bid for, purchased, or, paid any compensation for soliciting purchases of, any of the Securities, or (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company, other than, in the case of clauses (ii) and (iii), compensation paid to the Placement Agent in connection with the placement of the Securities.

(hh) [RESERVED]

(ii) Cybersecurity. (i)(x) To the Company's knowledge, there is no current or ongoing material security breach or other compromise of or relating to any of the Company's or any Subsidiary's information technology and computer systems, networks, hardware, software, data (including the data of its respective customers, employees, suppliers, vendors and any third party data maintained by or on behalf of it), equipment or technology (collectively, "IT Systems and Data") and (y) the Company and the Subsidiaries have not been notified of, and has no knowledge of any event or condition that would reasonably be expected to result in, any security breach or other compromise to its IT Systems and Data; (ii) the Company and the Subsidiaries are presently in compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification, except as would not, individually or in the aggregate, have a Material Adverse Effect; (iii) the Company and the Subsidiaries have implemented and maintained commercially reasonable safeguards to maintain and protect its material confidential information and the integrity, continuous operation, redundancy and security of all IT Systems and Data; and (iv) the Company and the Subsidiaries have implemented backup and disaster recovery technology consistent with industry standards and practices.

(jj) Stock Option Plans. To the Company's knowledge, each stock option granted by the Company under the Company's stock option plan was granted (i) in accordance with the terms of the Company's stock option plan and (ii) with an exercise price at least equal to the fair market value of the Common Stock on the date such stock option would be considered granted under GAAP and applicable law. To the Company's knowledge, no stock option granted under the Company's stock option plan has been backdated. The Company has not knowingly granted, and there is no and has been no Company policy or practice to knowingly grant, stock options prior to, or otherwise knowingly coordinate the grant of stock options with, the release or other public announcement of material information regarding the Company or its Subsidiaries or their financial results or prospects.

(kk) Office of Foreign Assets Control. Neither the Company nor any Subsidiary nor, to the Company's knowledge, any director, officer, agent, employee or affiliate of the Company or any Subsidiary is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC").

(ll) U.S. Real Property Holding Corporation. The Company is not and has never been a U.S. real property holding corporation within the meaning of Section 897 of the Internal Revenue Code of 1986, as amended, and the Company shall so certify upon Purchaser's request.

(mm) Bank Holding Company Act. Neither the Company nor any of its Subsidiaries or Affiliates is subject to the Bank Holding Company Act of 1956, as amended (the "BHCA") and to regulation by the Board of Governors of the Federal Reserve System (the " Federal Reserve"). Neither the Company nor any of its Subsidiaries or Affiliates owns or controls, directly or indirectly, five percent (5%) or more of the outstanding shares of any class of voting securities

or twenty-five percent or more of the total equity of a bank or any entity that is subject to the BHCA and to regulation by the Federal Reserve. Neither the Company nor any of its Subsidiaries or Affiliates exercises a controlling influence over the management or policies of a bank or any entity that is subject to the BHCA and to regulation by the Federal Reserve.

(nn) Money Laundering. The operations of the Company and its Subsidiaries are and have been conducted at all times in compliance with applicable financial record-keeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, applicable money laundering statutes and applicable rules and regulations thereunder (collectively, the "Money Laundering Laws"), and no Action or Proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any Subsidiary with respect to the Money Laundering Laws is pending or, to the knowledge of the Company or any Subsidiary, threatened.

(oo) Private Placement. Assuming the accuracy of the Purchasers' representations and warranties set forth in Section 3.2, no registration under the Securities Act is required for the offer and sale of the Common Warrants or the Common Warrant Shares by the Company to the Purchasers as contemplated hereby.

(pp) No General Solicitation. Neither the Company nor any Person acting on behalf of the Company has offered or sold any of the Common Warrant or Common Warrant Shares by any form of general solicitation or general advertising. The Company has offered the Common Warrants and Common Warrant Shares for sale only to the Purchasers and certain other "accredited investors" within the meaning of Rule 501 under the Securities Act.

(qq) No Disqualification Events. With respect to the Common Warrants and Common Warrant Shares to be offered and sold hereunder in reliance on Rule 506 under the Securities Act, none of the Company, any of its predecessors, any affiliated issuer, any director, executive officer, other officer of the Company participating in the offering hereunder, any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the Securities Act) connected with the Company in any capacity at the time of sale (each, an "Issuer Covered Person") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act (a "Disqualification Event"), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3). The Company has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event. The Company has complied, to the extent applicable, with its disclosure obligations under Rule 506(e), and has furnished to the Purchasers a copy of any disclosures provided thereunder.

(rr) Other Covered Persons. Other than the Placement Agent, the Company is not aware of any person (other than any Issuer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of any Securities.

(ss) Notice of Disqualification Events. The Company will notify the Purchasers in writing, prior to the Closing Date of (i) any Disqualification Event relating to any Issuer Covered Person and (ii) any event that would, with the passage of time, reasonably be expected to become a Disqualification Event relating to any Issuer Covered Person, in each case of which it is aware.

3.2 Representations and Warranties of the Purchasers. Each Purchaser, for itself and for no other Purchaser, hereby represents and warrants as of the date hereof and as of the Closing Date to the Company as follows (unless as of a specific date therein, in which case they shall be accurate as of such date):

(a) Organization; Authority. Such Purchaser is either an individual or an entity duly incorporated or formed, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation with full right, corporate, partnership, limited liability company or similar power and authority to enter into and to consummate the transactions contemplated by the Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of the Transaction Documents and performance by such Purchaser of the transactions contemplated by the Transaction Documents have been duly authorized by all necessary corporate, partnership, limited liability company or similar action, as applicable, on the part of such Purchaser. Each Transaction Document to which it is a party has been duly executed by such Purchaser, and when delivered by such Purchaser in accordance with the terms hereof, will constitute the valid and legally binding obligation of such Purchaser, enforceable against it in accordance with its terms, except: (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(b) Understandings or Arrangements. Such Purchaser is acquiring the Securities as principal for its own account and has no direct or indirect arrangement or understandings with any other persons to distribute or regarding the distribution of such Securities (this representation and warranty not limiting such Purchaser's right to sell the Securities pursuant to the Registration Statement or otherwise in compliance with applicable federal and state securities laws). Such Purchaser is acquiring the Securities hereunder in the ordinary course of its business. Such Purchaser understands that the Common Warrants and the Common Warrant Shares are "restricted securities" and have not been registered under the Securities Act or any applicable state securities law and is acquiring such Securities as principal for his, her or its own account and not with a view to or for distributing or reselling such Securities or any part thereof in violation of the Securities Act or any applicable state securities law, has no present intention of distributing any of such Securities in violation of the Securities Act or any applicable state securities law and has no direct or indirect arrangement or understandings with any other persons to distribute or regarding the distribution of such Securities in violation of the Securities Act or any applicable state securities law (this representation and warranty not limiting such Purchaser's right to sell such Securities pursuant to a registration statement or otherwise in compliance with applicable federal and state securities laws).

(c) Purchaser Status. At the time such Purchaser was offered the Securities, it was, and as of the date hereof it is, and on each date on which it exercises any Common Warrants, it will be an "accredited investor" as defined in Rule 501(a)(1), (a)(2), (a)(3), (a)(7), (a)(8), (a)(9), (a)(12), or (a)(13) under the Securities Act.

(d) Experience of Such Purchaser. Such Purchaser, either alone or together with its representatives, has such knowledge, sophistication

and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Securities, and has so evaluated the merits and risks of such investment. Such Purchaser is able to bear the economic risk of an investment in the Securities and, at the present time, is able to afford a complete loss of such investment.

(e) Access to Information. Such Purchaser acknowledges that it has had the opportunity to review the Transaction Documents (including all exhibits and schedules thereto) and the SEC Reports and has been afforded, (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Company concerning the terms and conditions of the offering of the Securities and the merits and risks of investing in the Securities; (ii) access to information about the Company and its financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (iii) the opportunity to obtain such additional information that the Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment. Such Purchaser acknowledges and agrees that neither the Placement Agent nor any Affiliate of the Placement Agent has provided such Purchaser with any information or advice with respect to the Securities nor is such information or advice necessary or desired. Neither the Placement Agent nor any Affiliate has made or makes any representation as to the Company or the quality of the Securities and the Placement Agent and any Affiliate may have acquired non-public information with respect to the Company which such Purchaser agrees need not be provided to it. In connection with the issuance of the Securities to such Purchaser, neither the Placement Agent nor any of its Affiliates has acted as a financial advisor or fiduciary to such Purchaser.

(f) Certain Transactions and Confidentiality. Other than consummating the transactions contemplated hereunder, such Purchaser has not, nor has any Person acting on behalf of or pursuant to any understanding with such Purchaser, directly or indirectly executed any purchases or sales, including Short Sales, of the securities of the Company during the period commencing as of the time that such Purchaser first received a term sheet (written or oral) from the Company or any other Person representing the Company setting forth the material terms of the transactions contemplated hereunder and ending immediately prior to the execution hereof. Notwithstanding the foregoing, in the case of a Purchaser that is a multi-managed investment vehicle whereby separate portfolio managers manage separate portions of such Purchaser's assets and the portfolio managers have no direct knowledge of the investment decisions made by the portfolio managers managing other portions of such Purchaser's assets, the representation set forth above shall only apply with respect to the portion of assets managed by the portfolio manager that made the investment decision to purchase the Securities covered by this Agreement. Other than to other Persons party to this Agreement or to such Purchaser's representatives, including, without limitation, its officers, directors, partners, legal and other advisors, employees, agents and Affiliates, such Purchaser has maintained the confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction). Notwithstanding the foregoing, for the avoidance of doubt, nothing contained herein shall constitute a representation or warranty, or preclude any actions, with respect to locating or borrowing shares in order to effect Short Sales or similar transactions in the future.

(g) General Solicitation. Such Purchaser is not purchasing the Securities as a result of any advertisement, article, notice or other communication regarding the Securities published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or, to the knowledge of such Purchaser, any other general solicitation or general advertisement.

The Company acknowledges and agrees that the representations contained in this Section 3.2 shall not modify, amend or affect such Purchaser's right to rely on the Company's representations and warranties contained in this Agreement or any representations and warranties contained in any other Transaction Document or any other document or instrument executed and/or delivered in connection with this Agreement or the consummation of the transactions contemplated hereby. Notwithstanding the foregoing, for the avoidance of doubt, nothing contained herein shall constitute a representation or warranty, or preclude any actions, with respect to locating or borrowing shares in order to effect Short Sales or similar transactions in the future.

ARTICLE IV.
OTHER AGREEMENTS OF THE PARTIES

4.1 Removal of Legends.

(a) The Warrants and Warrant Shares may only be disposed of in compliance with state and federal securities laws. In connection with any transfer of Warrants or Warrant Shares other than pursuant to an effective registration statement or Rule 144, to the Company or to an Affiliate of a Purchaser or in connection with a pledge as contemplated in Section 4.1(b), the Company may require the transferor thereof to provide to the Company an opinion of counsel selected by the transferor and reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Warrant under the Securities Act.

(b) The Purchasers agree to the imprinting, so long as is required by this Section 4.1, of a legend on any of the Common Warrants or Common Warrant Shares in the following form:

NEITHER THIS SECURITY NOR THE SECURITIES INTO WHICH THIS SECURITY IS EXERCISABLE HAS BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. THIS SECURITY AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT WITH A REGISTERED BROKER-DEALER OR OTHER LOAN WITH A FINANCIAL INSTITUTION THAT IS AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT OR OTHER LOAN SECURED BY SUCH SECURITIES.

The Company acknowledges and agrees that a Purchaser may from time to time pledge pursuant to a bona fide margin agreement with a registered broker-dealer or grant a security interest in some or all of the Common Warrants or Common Warrant Shares to a financial institution that is an "accredited investor" as defined in Rule 501(a) under the Securities Act and, if required under the terms of such arrangement, such Purchaser may transfer pledged or secured Common Warrants or Common Warrant Shares to the pledgees or secured parties. Such a pledge or transfer would not be subject to approval of the Company and no legal opinion of legal counsel of the pledgee, secured party or pledgor shall be required in connection therewith. Further, no notice shall be required of such pledge. At the appropriate Purchaser's expense, the Company will execute and deliver such reasonable documentation as a pledgee or secured party of Common Warrants and Common Warrant Shares may reasonably request in connection with a pledge or transfer of the Common Warrants or Common Warrant Shares.

(c) Certificates evidencing the Common Warrant Shares shall not contain any legend (including the legend set forth in Section 4.1(b) hereof): (i) while a registration statement covering the resale of such security is effective under the Securities Act, or (ii) following any sale of such Common Warrant Shares pursuant to Rule 144 (assuming cashless exercise of the Common Warrants), or (iii) if such Common Warrant Shares are eligible for sale under Rule 144 (assuming cashless exercise of the Common Warrants), or (iv) if such legend is not required under applicable requirements of the Securities Act (including judicial interpretations and pronouncements issued by the staff of the Commission). The Company shall cause its counsel to issue a legal opinion to the Transfer Agent or the Purchaser promptly if required by the Transfer Agent to effect the removal of the legend hereunder, or if requested by a Purchaser, respectively. If all or any portion of a Common Warrant is exercised at a time when there is an effective registration statement to cover the resale of the Common Warrant Shares, or if such Common Warrant Shares may be sold under Rule 144 (assuming cashless exercise of the Common Warrants) or if such legend is not otherwise required under applicable requirements of the Securities Act (including judicial interpretations and pronouncements issued by the staff of the Commission) then such Common Warrant Shares shall be issued free of all legends. The Company agrees that following such time as such legend is no longer required under this Section 4.1(c), the Company will, no later than the earlier of (i) two (2) Trading Days and (ii) the number of Trading Days comprising the Standard Settlement Period (as defined below) following the delivery by a Purchaser to the Company or the Transfer Agent of a certificate representing Common Warrant Shares, as applicable, issued with a restrictive legend (such date, the "Legend Removal Date"), deliver or cause to be delivered to such Purchaser a certificate representing such shares that is free from all restrictive and other legends. The Company may not make any notation on its records or give instructions to the Transfer Agent that enlarge the restrictions on transfer set forth in this Section 4. Common Warrant Shares subject to legend removal hereunder shall be transmitted by the Transfer Agent to the Purchaser by crediting the account of the Purchaser's prime broker with the Depository Trust Company System as directed by such Purchaser. As used herein, "Standard Settlement Period" means the standard settlement period, expressed in a number of Trading Days, on the Company's primary Trading Market with respect to the Common Stock as in effect on the date of delivery of a certificate representing Common Warrant Shares issued with a restrictive legend.

(d) In addition to such Purchaser's other available remedies, the Company shall pay to a Purchaser, in cash, (i) as partial liquidated damages and not as a penalty, for each $1,000 of Common Warrant Shares (based on the VWAP of the Common Stock on the date such Securities are submitted to the Transfer Agent) delivered for removal of the restrictive legend and subject to Section 4.1(c), $10 per Trading Day (increasing to $20 per Trading Day five (5) Trading Days after such damages have begun to accrue) for each Trading Day after the Legend Removal Date until such certificate is delivered without a legend and (ii) if the Company fails to (a) issue and deliver (or cause to be delivered) to a Purchaser by the Legend Removal Date a certificate representing the Securities so delivered to the Company by such Purchaser that is free from all restrictive and other legends and (b) if after the Legend Removal Date such Purchaser purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by such Purchaser of all or any portion of the number of shares of Common Stock, or a sale of a number of shares of Common Stock equal to all or any portion of the number of shares of Common Stock, that such Purchaser anticipated receiving from the Company without any restrictive legend, then an amount equal to the excess of such Purchaser's total purchase price (including brokerage commissions and other out-of-pocket expenses, if any) for the shares of Common Stock so purchased (including brokerage commissions and other out-of-pocket expenses, if any) (the "Buy-In Price") over the product of (A) such number of Common Warrant Shares that the Company was required to deliver to such Purchaser by the Legend Removal Date multiplied by (B) the lowest closing sale price of the Common Stock on any Trading Day during the period commencing on the date of the delivery by such Purchaser to the Company of the applicable Common Warrant Shares (as the case may be) and ending on the date of such delivery and payment under this Section 4.1(d).

(e) The Shares, Prefunded Warrants, and Prefunded Warrant Shares shall be issued free of legends. If all or any portion of a Prefunded Warrant is exercised at a time when there is an effective registration statement to cover the issuance or resale of the Prefunded Warrant Shares or if the Prefunded Warrant is exercised via cashless exercise, the Prefunded Warrant Shares issued pursuant to any such exercise shall be issued free of all legends. If at any time following the date hereof the Registration Statement (or any subsequent registration statement registering the sale or resale of the Prefunded Warrant Shares) is not effective or is not otherwise available for the sale or resale of the Prefunded Warrant Shares, the Company shall immediately notify the holders of the Prefunded Warrants in writing that such registration statement is not then effective and thereafter shall promptly notify such holders when the registration statement is effective again and available for the sale or resale of the Prefunded Warrant Shares (it being understood and agreed that the foregoing shall not limit the ability of the Company to issue, or any Purchaser to sell, any of the Prefunded Warrant Shares in compliance with applicable federal and state securities laws). The Company shall use commercially reasonable efforts to keep a registration statement (including the Registration Statement) registering the issuance or resale of the Prefunded Warrant Shares effective during the term of the Prefunded Warrants.

4.2 Furnishing of Information.

(a) Until the earlier of the time that (i) no Purchaser owns Securities or (ii) the Warrants have expired, the Company covenants to timely file (or obtain extensions in respect thereof and file within the applicable grace period) all reports required to be filed by the Company after the date hereof pursuant to the Exchange Act even if the Company is not then subject to the reporting requirements of the Exchange Act.

(b) At any time during the period commencing from the six (6) month anniversary of the date hereof and ending at such time that all of the Common Warrant Shares (assuming cashless exercise) may be sold without the requirement for the Company to be in compliance with Rule 144(c)(1) and otherwise without restriction or limitation pursuant to Rule 144, if the Company (i) shall fail for any reason to satisfy the current public information requirement under Rule 144(c) or (ii) has ever been an issuer described in Rule 144(i)(1)(i) or becomes an issuer in the future, and the Company shall fail to satisfy any condition set forth in Rule 144(i)(2) (a "Public Information Failure") then, in addition to such Purchaser's other available remedies, the Company shall pay to a Purchaser, in cash, as partial liquidated damages and not as a penalty, by reason of any such delay in or reduction of its ability to sell the Common Warrant Shares, an amount in cash equal to one percent (1.0%) of the aggregate Exercise Price of such Purchaser's Common Warrants on the day of a Public Information Failure and on every thirtieth (30^{th}) day (pro rated for periods totaling less than thirty days) thereafter until the earlier of (a) the date such Public Information Failure is cured and (b) such time that such public information is no longer required for the Purchasers to transfer the Common Warrant Shares pursuant to Rule 144. The payments to which a Purchaser shall be entitled pursuant to this Section 4.2(b) are referred to herein as "Public Information Failure Payments." Public Information Failure Payments shall be paid on the earlier of (i) the last day of the calendar month during which such Public Information Failure Payments are incurred and (ii) the third (3^{rd}) Business Day after the event or failure giving rise to the Public Information Failure Payments is cured. In the event the Company fails to make Public Information Failure Payments in a timely manner, such Public Information Failure Payments shall bear interest at the rate of 0.5% per month (prorated for partial months) until paid in full. Nothing herein shall limit such Purchaser's right to pursue actual damages for the Public Information Failure, and such Purchaser shall have the right to pursue all remedies available to it at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief.

4.3 Integration. The Company shall not sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in Section 2 of the Securities Act) that would be integrated with the offer or sale of the Securities in a manner that would require registration under the Securities Act of the sale of the Common Warrants or Common Warrant Shares or that would be integrated with the offer or sale of the Securities for purposes of the rules and regulations of any Trading Market such that it would require shareholder approval prior to the closing of such other transaction unless shareholder

approval is obtained before the closing of such subsequent transaction.

4.4 Securities Laws Disclosure; Publicity. The Company shall (a) by the Disclosure Time, issue a press release disclosing the material terms of the transactions contemplated hereby, and (b) file a Current Report on Form 8-K, including the Transaction Documents as exhibits thereto, with the Commission within the time required by the Exchange Act. From and after the issuance of such press release, the Company represents to the Purchasers that it shall have publicly disclosed all material, non-public information delivered to any of the Purchasers by the Company or any of its Subsidiaries, or any of their respective officers, directors, employees, Affiliates or agents, including, without limitation, the Placement Agent, in connection with the transactions contemplated by the Transaction Documents. In addition, effective upon the issuance of such press release, the Company acknowledges and agrees that any and all confidentiality or similar obligations under any agreement, whether written or oral, between the Company, any of its Subsidiaries or any of their respective officers, directors, agents, employees, Affiliates or agents, including, without limitation, the Placement Agent, on the one hand, and any of the Purchasers or any of their Affiliates on the other hand, shall terminate and be of no further force or effect. The Company understands and confirms that each Purchaser shall be relying on the foregoing covenant in effecting transactions in securities of the Company. The Company and each Purchaser shall consult with each other in issuing any other press releases with respect to the transactions contemplated hereby, and neither the Company nor any Purchaser shall issue any such press release nor otherwise make any such public statement without the prior consent of the Company, with respect to any press release of any Purchaser, or without the prior consent of each Purchaser, with respect to any press release of the Company, which consent shall not unreasonably be withheld or delayed, except if such disclosure is required by law, in which case the disclosing party shall promptly provide the other party with prior notice of such public statement or communication. Notwithstanding the foregoing, the Company shall not publicly disclose the name of any Purchaser, or include the name of any Purchaser in any filing with the Commission or any regulatory agency or Trading Market, without the prior written consent of such Purchaser, except (a) as required by federal securities law in connection with (i) filing any registration statement of the Company providing for the resale by the Purchasers of the Common Warrant Shares issued and issuable upon exercise of the Common Warrants and (ii) the filing of final Transaction Documents with the Commission and (b) to the extent such disclosure is required by law or Trading Market regulations, in which case the Company shall provide the Purchasers with prior notice of such disclosure permitted under this clause (b) and reasonably cooperate with such Purchaser regarding such disclosure.

4.5 Shareholder Rights Plan. No claim will be made or enforced by the Company or, with the consent of the Company, any other Person, that any Purchaser is an "Acquiring Person" under any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or similar anti-takeover plan or arrangement in effect or hereafter adopted by the Company, or that any Purchaser could be deemed to trigger the provisions of any such plan or arrangement, by virtue of receiving Securities under the Transaction Documents or under any other agreement between the Company and the Purchasers.

4.6 Non-Public Information. Except with respect to the material terms and conditions of the transactions contemplated by the Transaction Documents, which shall be disclosed pursuant to Section 4.4, the Company covenants and agrees that neither it, nor any other Person acting on its behalf will provide any Purchaser or its agents or counsel with any information that constitutes, or the Company reasonably believes constitutes, material non-public information, unless prior thereto such Purchaser shall have consented in writing to the receipt of such information and agreed in writing with the Company to keep such information confidential. The Company understands and confirms that each Purchaser shall be relying on the foregoing covenant in effecting transactions in securities of the Company. To the extent that the Company, any of its Subsidiaries, or any of their respective officers, directors, agents, employees or Affiliates delivers any material, non-public information to a Purchaser without such Purchaser's consent, the Company hereby covenants and agrees that such Purchaser shall not have any duty of confidentiality to the Company, any of its Subsidiaries, or any of their respective officers, directors, employees, Affiliates or agents, including, without limitation, the Placement Agent, or a duty to the Company, any of its Subsidiaries or any of their respective officers, directors, employees, Affiliates or agents, including, without limitation, the Placement Agent, not to trade on the basis of, such material, non-public information, provided that the Purchaser shall remain subject to applicable law. To the extent that any notice provided pursuant to any Transaction Document constitutes, or contains, material, non-public information regarding the Company or any Subsidiaries, the Company shall simultaneously with the delivery of such notice file such notice with the Commission pursuant to a Current Report on Form 8-K. The Company understands and confirms that each Purchaser shall be relying on the foregoing covenant in effecting transactions in securities of the Company.

4.7 Use of Proceeds. Except as set forth on Schedule 4.7 attached hereto, the Company shall use the net proceeds from the sale of the Securities hereunder for working capital purposes and shall not use such proceeds: (a) for the satisfaction of any portion of the Company's debt (other than payment of trade payables in the ordinary course of the Company's business and prior practices), (b) for the redemption of any Common Stock or Common Stock Equivalents, (c) for the settlement of any outstanding litigation or (d) in violation of FCPA or OFAC regulations.

4.8 Indemnification of Purchasers. Subject to the provisions of this Section 4.8, the Company will indemnify and hold each Purchaser and its directors, officers, shareholders, members, partners, employees and agents (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls such Purchaser (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, agents, members, partners or employees (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling persons (each, a "Purchaser Party") harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees and costs of investigation that any such Purchaser Party may suffer or incur as a result of or relating to (a) any breach of any of the representations, warranties, covenants or agreements made by the Company in this Agreement or in the other Transaction Documents or (b) any action instituted against the Purchaser Parties in any capacity, or any of them or their respective Affiliates, by any stockholder of the Company who is not an Affiliate of such Purchaser Party, with respect to any of the transactions contemplated by the Transaction Documents (unless such action is solely based upon a material breach of such Purchaser Party's representations, warranties or covenants under the Transaction Documents or any agreements or understandings such Purchaser Party may have with any such stockholder or any violations by such Purchaser Party of state or federal securities laws or any conduct by such Purchaser Party which is finally judicially determined to constitute fraud, gross negligence or willful misconduct). If any action shall be brought against any Purchaser Party in respect of which indemnity may be sought pursuant to this Agreement, such Purchaser Party shall promptly notify the Company in writing, and the Company shall have the right to assume the defense thereof with counsel of its own choosing reasonably acceptable to the Purchaser Party. Any Purchaser Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Purchaser Party except to the extent that (i) the employment thereof has been specifically authorized by the Company in writing, (ii) the Company has failed after a reasonable period of time to assume such defense and to employ counsel or (iii) in such action there is, in the reasonable opinion of counsel, a material conflict on any material issue between the position of the Company and the position of such Purchaser Party, in which case the Company shall be responsible for the reasonable fees and expenses of no more than one such separate counsel. The Company will not be liable to any Purchaser Party under this Agreement (y) for any settlement by a Purchaser Party effected without the Company's prior written consent, which shall not be unreasonably withheld or delayed; or (z) to the extent, but only to the extent that a loss, claim, damage or liability is attributable to any Purchaser Party's breach of any of the representations, warranties, covenants or agreements made by such Purchaser Party in this Agreement or in the other Transaction Documents. The indemnification required by this Section 4.8 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or are incurred. The indemnity agreements contained herein shall be in addition to any cause of action or similar right of any Purchaser Party against the Company or others and any liabilities the Company may be subject to pursuant to law.

4.9 Reservation of Common Stock. As of the date hereof, the Company has reserved and the Company shall continue to reserve and keep available at all times, free of preemptive rights, a sufficient number of shares of Common Stock for the purpose of enabling the Company to issue Shares pursuant to this Agreement and Warrant Shares pursuant to any exercise of the Warrants.

4.10 Listing of Common Stock. The Company hereby agrees to use reasonable efforts to maintain the listing or quotation of the Common Stock on the Trading Market on which it is currently listed, and concurrently with the Closing, the Company shall apply to list or quote all of the Shares and Warrant Shares on such Trading Market and promptly secure the listing of all of the Shares and Warrant Shares on such Trading Market. The Company further agrees, if the Company applies to have the Common Stock traded on any other Trading Market, it will then include in such application all of the Shares and Warrant Shares, and will take such other action as is necessary to cause all of the Shares and Warrant Shares to be listed or quoted on such other Trading Market as promptly as possible. The Company will then take all action reasonably necessary to continue the listing and trading of its Common Stock on a Trading Market and will comply in all respects with the Company's reporting, filing and other obligations under the bylaws or rules of the Trading Market. The Company agrees to maintain the eligibility of the Common Stock for electronic transfer through the Depository Trust Company or another established clearing corporation, including, without limitation, by timely payment of fees to the Depository Trust Company or such other established clearing corporation in connection with such electronic transfer.

4.11 [RESERVED]

4.12 Subsequent Equity Sales.

(a) From the date hereof until 90 days after the Closing Date, neither the Company nor any Subsidiary shall (i) issue, enter into any agreement to issue or announce the issuance or proposed issuance of any shares of Common Stock or Common Stock Equivalents or (ii) file any registration statement or amendment or supplement thereto, other than (A) the Prospectus Supplement, (B) filing a registration statement on Form S-8 in connection with any employee benefit plan, (C) filing a registration statement, or amendment to a registration statement, on Form S-4, (D) filing a registration statement, or amendment to a registration statement with respect to the Common Warrant Shares, or (E) filing a registration statement or amendment to a registration statement in connection with the Warrant Amendment.

(b) From the date hereof until twelve (12) months after the Closing Date, the Company shall be prohibited from effecting or entering into an agreement to effect any issuance by the Company or any of its Subsidiaries of Common Stock or Common Stock Equivalents (or a combination of units thereof) involving a Variable Rate Transaction. "Variable Rate Transaction" means a transaction in which the Company (i) issues or sells any debt or equity securities that are convertible into, exchangeable or exercisable for, or include the right to receive additional shares of Common Stock either (A) at a conversion price, exercise price or exchange rate or other price that is based upon and/or varies with the trading prices of or quotations for the shares of Common Stock at any time after the initial issuance of such debt or equity securities, or (B) with a conversion, exercise or exchange price that is subject to being reset at some future date after the initial issuance of such debt or equity security or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company or the market for the Common Stock or (ii) enters into, or effects a transaction under, any agreement, including, but not limited to, an equity line of credit or an "at-the-market offering", whereby the Company may issue securities at a future determined price; provided, however, that, after one hundred eighty (180) days after the Closing Date, the issuance of shares of Common Stock in an "at the market" offering with H.C. Wainwright & Co., LLC as sales agent shall not be deemed a Variable Rate Transaction. Any Purchaser shall be entitled to obtain injunctive relief against the Company to preclude any such issuance, which remedy shall be in addition to any right to collect damages.

(c) Notwithstanding the foregoing, this Section 4.12 shall not apply in respect of an Exempt Issuance, except that no Variable Rate Transaction shall be an Exempt Issuance.

4.13 Equal Treatment of Purchasers. No consideration (including any modification of any Transaction Document) shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of the Transaction Documents unless the same consideration is also offered to all of the parties to the Transaction Documents. For clarification purposes, this provision constitutes a separate right granted to each Purchaser by the Company and negotiated separately by each Purchaser, and is intended for the Company to treat the Purchasers as a class and shall not in any way be construed as the Purchasers acting in concert or as a group with respect to the purchase, disposition or voting of Securities or otherwise.

4.14 Certain Transactions and Confidentiality. Each Purchaser, severally and not jointly with the other Purchasers, covenants that neither it nor any Affiliate acting on its behalf or pursuant to any understanding with it will execute any purchases or sales, including Short Sales of any of the Company's securities during the period commencing with the execution of this Agreement and ending at such time that the transactions contemplated by this Agreement are first publicly announced pursuant to the initial press release as described in Section 4.4. Each Purchaser, severally and not jointly with the other Purchasers, covenants that until such time as the transactions contemplated by this Agreement are publicly disclosed by the Company pursuant to the initial press release as described in Section 4.4, such Purchaser will maintain the confidentiality of the existence and terms of this transaction and the information included in the Disclosure Schedules (other than as disclosed to its legal and other representatives). Notwithstanding the foregoing and notwithstanding anything contained in this Agreement to the contrary, the Company expressly acknowledges and agrees that (i) no Purchaser makes any representation, warranty or covenant hereby that it will not engage in effecting transactions in any securities of the Company after the time that the transactions contemplated by this Agreement are first publicly announced pursuant to the initial press release as described in Section 4.4, (ii) no Purchaser shall be restricted or prohibited from effecting any transactions in any securities of the Company in accordance with applicable securities laws from and after the time that the transactions contemplated by this Agreement are first publicly announced pursuant to the initial press release as described in Section 4.4 and (iii) no Purchaser shall have any duty of confidentiality or duty not to trade in the securities of the Company to the Company, any of its Subsidiaries, or any of their respective officers, directors, employees, Affiliates, or agent, including, without limitation, the Placement Agent, after the issuance of the initial press release as described in Section 4.4. Notwithstanding the foregoing, in the case of a Purchaser that is a multi-managed investment vehicle whereby separate portfolio managers manage separate portions of such Purchaser's assets and the portfolio managers have no direct knowledge of the investment decisions made by the portfolio managers managing other portions of such Purchaser's assets, the covenant set forth above shall only apply with respect to the portion of assets managed by the portfolio manager that made the investment decision to purchase the Securities covered by this Agreement.

4.15 Capital Changes. Until the one year anniversary of the Closing Date, the Company shall not undertake a reverse or forward stock split or reclassification of the Common Stock without the prior written consent of the Purchasers holding a majority in interest of the Shares, other than a stock split that, in the good faith determination of the Board of Directors, is required to enable the Company to comply with the required listing standards for the Common Stock on the Company's principal Trading Market in the United States.

4.16 Exercise Procedures. The form of Notice of Exercise included in the Warrants set forth the totality of the procedures required of the Purchasers in order to exercise the Warrants. No additional legal opinion, other information or instructions shall be required of the Purchasers to exercise their Warrants. Without limiting the preceding sentences, no ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise form be required in order to exercise the Warrants. The Company shall honor exercises of the Warrants and shall deliver Warrant Shares in accordance with the terms, conditions and time periods set forth in the Transaction Documents.

4.17 Form D; Blue Sky Filings. The Company agrees to timely file a Form D with respect to the Common Warrants and Common Warrant Shares as required under Regulation D and to provide a copy thereof, promptly upon request of any Purchaser. The Company shall take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for, or to qualify the Common Warrants and Common Warrant Shares for, sale to the Purchasers at the Closing under applicable securities or "Blue Sky" laws of the states of the United States, and shall provide evidence of such actions promptly upon request of any Purchaser.

ARTICLE V.
MISCELLANEOUS

5.1 Termination. This Agreement may be terminated by any Purchaser, as to such Purchaser's obligations hereunder only and without any effect whatsoever on the obligations between the Company and the other Purchasers, by written notice to the other parties, if the Closing has not been consummated on or before the fifth (5^{th}) Trading Day following the date hereof; provided, however, that no such termination will affect the right of any party to sue for any breach by any other party (or parties).

5.2 Fees and Expenses. Except as expressly set forth in the Transaction Documents to the contrary, each party shall pay the fees and expenses of its advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party incident to the negotiation, preparation, execution, delivery and performance of this Agreement. The Company shall pay all Transfer Agent fees (including, without limitation, any fees required for same-day processing of any instruction letter delivered by the Company and any exercise notice delivered by a Purchaser), stamp taxes and other taxes and duties levied in connection with the delivery of any Securities to the Purchasers.

5.3 Entire Agreement. The Transaction Documents, together with the exhibits and schedules thereto, the Prospectus and the Prospectus Supplement, contain the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules.

5.4 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of: (a) the time of transmission, if such notice or communication is delivered via email attachment at the email address as set forth on the signature pages attached hereto at or prior to 5:30 p.m. (New York City time) on a Trading Day, (b) the next Trading Day after the time of transmission, if such notice or communication is delivered via email attachment at the email address as set forth on the signature pages attached hereto on a day that is not a Trading Day or later than 5:30 p.m. (New York City time) on any Trading Day, (c) the second (2^{nd}) Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications shall be as set forth on the signature pages attached hereto.

5.5 Amendments; Waivers. No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and Purchasers which purchased at least 50.1% in interest of the Shares and Prefunded Warrants based on the initial Subscription Amounts hereunder (or, prior to the Closing, the Company and each Purchaser) or, in the case of a waiver, by the party against whom enforcement of any such waived provision is sought, provided that if any amendment, modification or waiver disproportionately and adversely impacts a Purchaser (or group of Purchasers), the consent of such disproportionately impacted Purchaser (or group of Purchasers) shall also be required. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right. Any proposed amendment or waiver that disproportionately, materially and adversely affects the rights and obligations of any Purchaser relative to the comparable rights and obligations of the other Purchasers shall require the prior written consent of such adversely affected Purchaser. Any amendment effected in accordance with this Section 5.5 shall be binding upon each Purchaser and holder of Securities and the Company.

5.6 Headings. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

5.7 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The Company may not assign this Agreement or any rights or obligations hereunder without the prior written consent of each Purchaser (other than by merger). Any Purchaser may assign any or all of its rights under this Agreement to any Person to whom such Purchaser assigns or transfers any Securities, provided that such transferee agrees in writing to be bound, with respect to the transferred Securities, by the provisions of the Transaction Documents that apply to the "Purchasers."

5.8 No Third-Party Beneficiaries. The Placement Agent shall be the third party beneficiary of the representations and warranties of the Company in Section 3.1 and the representations and warranties of the Purchasers in Section 3.2. This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other Person, except as otherwise set forth in Section 4.8 and this Section 5.8.

5.9 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of the Transaction Documents shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal Proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and any other Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, Borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any Action or Proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such Action or Proceeding is improper or is an inconvenient venue for such Proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such Action or Proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law. If any party shall commence an Action or Proceeding to enforce any provisions of the Transaction Documents, then, in addition to the obligations of the Company under Section 4.8, the prevailing party in such Action or Proceeding shall be reimbursed by the non-prevailing party for its reasonable attorneys' fees and other costs and expenses incurred with the

investigation, preparation and prosecution of such Action or Proceeding.

5.10 Survival. The representations and warranties contained herein shall survive the Closing and the delivery of the Securities.

5.11 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party, it being understood that the parties need not sign the same counterpart. In the event that any signature is delivered by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such ".pdf" signature page were an original thereof.

5.12 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

5.13 Rescission and Withdrawal Right. Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) any of the other Transaction Documents, whenever any Purchaser exercises a right, election, demand or option under a Transaction Document and the Company does not timely perform its related obligations within the periods therein provided, then such Purchaser may rescind or withdraw, in its sole discretion from time to time upon written notice to the Company, any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights; provided, however, that, in the case of a rescission of an exercise of a Warrant, the applicable Purchaser shall be required to return any shares of Common Stock subject to any such rescinded exercise notice concurrently with the return to such Purchaser of the aggregate exercise price paid to the Company for such shares and the restoration of such Purchaser's right to acquire such shares pursuant to such Purchaser's Warrant (including, issuance of a replacement warrant certificate evidencing such restored right).

5.14 Replacement of Securities. If any certificate or instrument evidencing any Securities is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof (in the case of mutilation), or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction. The applicant for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs (including customary indemnity) associated with the issuance of such replacement Securities.

5.15 Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, each of the Purchasers and the Company will be entitled to specific performance under the Transaction Documents. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations contained in the Transaction Documents and hereby agree to waive and not to assert in any Action for specific performance of any such obligation the defense that a remedy at law would be adequate.

5.16 Payment Set Aside. To the extent that the Company makes a payment or payments to any Purchaser pursuant to any Transaction Document or a Purchaser enforces or exercises its rights thereunder, and such payment or payments or the proceeds of such enforcement or exercise or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, disgorged by or are required to be refunded, repaid or otherwise restored to the Company, a trustee, receiver or any other Person under any law (including, without limitation, any bankruptcy law, state or federal law, common law or equitable cause of action), then to the extent of any such restoration the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

5.17 Independent Nature of Purchasers' Obligations and Rights. The obligations of each Purchaser under any Transaction Document are several and not joint with the obligations of any other Purchaser, and no Purchaser shall be responsible in any way for the performance or non-performance of the obligations of any other Purchaser under any Transaction Document. Nothing contained herein or in any other Transaction Document, and no action taken by any Purchaser pursuant hereto or thereto, shall be deemed to constitute the Purchasers as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Purchasers are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by the Transaction Documents. Each Purchaser shall be entitled to independently protect and enforce its rights including, without limitation, the rights arising out of this Agreement or out of the other Transaction Documents, and it shall not be necessary for any other Purchaser to be joined as an additional party in any Proceeding for such purpose. Each Purchaser has been represented by its own separate legal counsel in its review and negotiation of the Transaction Documents. For reasons of administrative convenience only, each Purchaser and its respective counsel have chosen to communicate with the Company through EGS. EGS does not represent any of the Purchasers and only represents the Placement Agent. The Company has elected to provide all Purchasers with the same terms and Transaction Documents for the convenience of the Company and not because it was required or requested to do so by any of the Purchasers. It is expressly understood and agreed that each provision contained in this Agreement and in each other Transaction Document is between the Company and a Purchaser, solely, and not between the Company and the Purchasers collectively and not between and among the Purchasers.

5.18 Liquidated Damages. The Company's obligations to pay any partial liquidated damages or other amounts owing under the Transaction Documents is a continuing obligation of the Company and shall not terminate until all unpaid partial liquidated damages and other amounts have been paid notwithstanding the fact that the instrument or security pursuant to which such partial liquidated damages or other amounts are due and payable shall have been canceled.

5.19 Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then such action may be taken or such right may be exercised on the next succeeding Business Day.

5.20 Construction. The parties agree that each of them and/or their respective counsel have reviewed and had an opportunity to revise the Transaction Documents and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Transaction Documents or any amendments thereto. In addition, each and every reference to share prices and shares of Common Stock in any Transaction Document shall be subject to adjustment for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions of the Common Stock that occur after the date of this Agreement.

5.21 **WAIVER OF JURY TRIAL. IN ANY ACTION, SUIT, OR PROCEEDING IN ANY JURISDICTION BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY, THE PARTIES EACH KNOWINGLY AND INTENTIONALLY, TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW,**

HEREBY ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND EXPRESSLY WAIVES FOREVER TRIAL BY JURY.

(Signature Pages Follow)

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

MAWSON INFRASTRUCTURE GROUP, INC.

Address for Notice:
Mawson Infrastructure Group Inc.
Level 5, 97 Pacific Highway, North
Sydney NSW
Australia
Attn: CEO

By: /s/ James Manning
Name: James Manning
Title: Chief Executive Officer

E-Mail:
james@mawsoninc.com

With a copy to (which shall not constitute notice):

Chad Ensz Esq.
Sheppard Mullin Richter & Hampton LLP
12275 El Camino Real, Ste 100
San Diego, CA 92130
USA

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOR PURCHASER FOLLOWS

[PURCHASER SIGNATURE PAGES TO MIGI SECURITIES PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the undersigned have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

Name of Purchaser: _ Armistice Capital Master Fund Ltd.

Signature of Authorized Signatory of Purchaser : _

Name of Authorized Signatory: _____Steven Boyd

Title of Authorized Signatory: _ CIO of Armistice Capital, LLC, the Investment Manager

Email Address of Authorized Signatory: sboyd@armisticecapital.com (w/copy to smiller@armisticecapital.com, legal@armisticecapital.com

Address for Notice to Purchaser:
c/o Armistice Capital, LLC
510 Madison Avenue, 7th Floor
New York, NY 10022

Address for Delivery of Securities to Purchaser (if not same as address for notice):

Armistice Capital, LLC
Attention: Andrew Tuminello
510 Madison Avenue, 7th Floor
New York, NY 10022

Subscription Amount: $4,000,003.20

Shares: 1,420,000

Prefunded Warrant Shares: 246,668 Beneficial Ownership Blocker ☐ 4.99% or ☒ 9.99%

Common Warrant Shares: 2,083,335 Beneficial Ownership Blocker ☒ 4.99% or ☐ 9.99%

EIN Number: 98-1058273 _____

[SIGNATURE PAGES CONTINUE]

[PURCHASER SIGNATURE PAGES TO MIGI SECURITIES PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the undersigned have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

Name of Purchaser: INBOCALUPO PTY LTD atf INBOCALUPO TRUST

Signature of Authorized Signatory of Purchaser: 

Name of Authorized Signatory: NICHOLAS HUGHES-JONES

Title of Authorized Signatory:

Email Address of Authorized Signatory: NICKHUGHESJONES@GMAIL.COM

Address for Notice to Purchaser:

19 OZONE PARADE DEE WHY NSW AUSTRALIA 2099

Address for Delivery of Securities to Purchaser (if not same as address for notice):

Subscription Amount: $1,000,000.00

Shares: _____

Prefunded Warrant Shares: _____ Beneficial Ownership Blocker ☐ 4.99% or ☐ 9.99%

Common Warrant Shares: _____ Beneficial Ownership Blocker ☐ 4.99% or ☐ 9.99%

EIN Number: _____

o Notwithstanding anything contained in this Agreement to the contrary, by checking this box (i) the obligations of the above-signed to purchase the securities set forth in this Agreement to be purchased from the Company by the above-signed, and the obligations of the Company to sell such securities to the above-signed, shall be unconditional and all conditions to Closing shall be disregarded, (ii) the Closing shall occur on the second (2^{nd}) Trading Day following the date of this Agreement and (iii) any condition to Closing contemplated by this Agreement (but prior to being disregarded by clause (i) above) that required delivery by the Company or the above-signed of any agreement, instrument, certificate or the like or purchase price (as applicable) shall no longer be a condition and shall instead be an unconditional obligation of the Company or the above-signed (as applicable) to deliver such agreement, instrument, certificate or the like or purchase price (as applicable) to such other party on the Closing Date.

[SIGNATURE PAGES CONTINUE]

Exhibit 10.12

EXECUTION COPY

EMPLOYMENT AGREEMENT

THIS **EMPLOYMENT AGREEMENT** (the "Agreement") is made as of May 22, 2023 by and between Mawson Infrastructure Group, Inc. (the "Company") and Rahul Mewawalla (the "Executive") (together, the "Parties" and each a "Party").

RECITALS

WHEREAS, the Company desires to employ the Executive as its Chief Executive Officer and President; and

WHEREAS, the Executive has agreed to accept such employment on the terms and conditions set forth in this Agreement effective as of the date first set forth above (the "Effective Date" or the "Start Date").

NOW, THEREFORE, in consideration of the foregoing and of the respective covenants and agreements of the Parties herein contained, the Parties hereto agree as follows:

1. **Term of Employment.** The term of this Agreement shall commence on the Effective Date and continue until terminated in accordance with Section 7 hereof (the "Term of Employment"). During the Term of Employment, the Executive shall be an at-will employee of the Company and the Executive's employment and the Term of Employment shall be freely terminable by either Party, for any reason, at any time, with or without Cause (as defined below) or notice (except as set forth herein).

2. **Position.** During the Term of Employment, the Executive shall serve as the Company's CEO and President, and, if the Company so determines, of each of its subsidiaries (the Company, together with its parent company and its direct and indirect subsidiaries, the "Company Group") for no additional compensation. While this Agreement is in effect, the Company shall nominate the Executive to serve on its Board of Directors (the "Board") and shall include the Executive's name on the list of proposed directors included in proxy statements distributed to the Company's shareholders. Any service by the Executive on the Board shall be for no additional compensation. Executive shall be based in and working in the greater Seattle area in Washington ("Greater Seattle Area") or in such other location as may be mutually agreed to by the Company and Executive. If the Company and Executive agree to a new location outside of the Greater Seattle Area, the Company shall cover all relocation costs of the Executive and his family in accordance with Company policy.

3. **Scope of Employment.** During the Term of Employment, the Executive shall have and perform duties and responsibilities consistent with the Executive's position as CEO and President. At all times, the Executive shall perform and discharge faithfully, diligently, and in a professional manner, the Executive's duties and responsibilities hereunder.

4. **Outside Activities.** Subject to the prior written approval of the Company, which shall not be unreasonably withheld, the Executive may serve on the board of directors, advisory board, or similar body of up to two (2) business organizations other than the Company, including publicly owned corporations or other for-profit entities, and organizations in which the Executive has made an investment ("Board Limit"). For avoidance of doubt, the Board Limit shall not apply or restrict the Executive from serving on the boards of directors of non-profit organizations, or participating in charitable, civic, educational, governmental or community activities and affairs. Notwithstanding the foregoing, the Executive's activities with respect to the foregoing shall not, individually or in the aggregate, materially adversely affect the performance of the Executive's duties to the Company, violate the provisions of this Agreement or any other agreement between the Executive and the Company or create a potential business or fiduciary conflict. The parties understand that the Executive currently exceeds the Board Limit. In order to allow the Executive a reasonable transition period to comply with the Board Limit, the Executive may continue to serve on all boards for a limited transition period, provided that (i) Executive uses his best efforts to resign within a reasonable period of time following the Effective Date and (ii) in all events, by no later than December 31, 2023 (or such later date as may be approved by the Chairman of the Board in his sole discretion), the Executive must resign from or otherwise cease to serve on one or more of the other boards on which the Executive serves as of the Effective Date to keep the total number of boards at or below the Board Limit at any given time. As of the Effective Date, all the board roles of the Executive have been disclosed to and are deemed as approved by the Company.

5. **Compensation.** As compensation for services rendered by the Executive during the Term of Employment, the Company will provide to the Executive the following:

(a) Base Salary. The Executive shall receive a base salary of $750,000 annually, which will be paid in bi-weekly installments. The Base Salary shall be subject to (i) review by the Board for increase, but not decrease, and (ii) increase on January 1 of each year commencing on January 1, 2024, to reflect the increase, if any, in the Consumer Price Index ("CPI"), as determined by the U.S. Bureau of Labor Statistics and published for the month of December in the year immediately preceding the year being adjusted over the CPI for the previous December and to be no less than 3% on an annual basis. If CPI becomes unavailable, a reasonable substitute reflecting annual retail price inflation, prepared by the U.S. Department of Labor or other government source mutually agreeable by the parties hereto shall be used. Base Salary shall be paid in accordance with the Company's regularly established payroll procedure and may be increased periodically (but shall not be subject to decrease), as determined by the Board of the Company at its discretion. The base salary as determined herein and adjusted from time to time shall constitute "Base Salary" for purposes of this Agreement.

(b) Annual Bonus. Commencing with fiscal year 2024 and each year thereafter ending during the Term of Employment (each a "Performance Year"), Executive shall be subject to an annual performance evaluation by the Board (or a committee thereof) to assess achievement of performance goals as discussed and established in advance by the Board (or committee thereof), after consultation with the Executive based upon a target bonus of two components (i) cash bonus equal to one hundred twenty five percent (125%) of Base Salary and (ii) a stock bonus equal in value to 100% of Base Salary to be paid as restricted stock units. The determination of whether any annual bonus has been earned by the Executive in a particular Performance Year and the amount of such bonus shall in each case be reasonably determined by the Board (or a committee thereof) based upon the Executive's performance and the Company's performance during the Performance Year just ended, which performance will be measured against the annual goals previously established by the Board for the Performance Year (the "Annual Bonus"). The Annual Bonus, as determined, will be payable within ninety (90) days following the end of each Performance Year, subject to the Executive's continued employment on the date of payment. For fiscal year 2023, the Executive will be entitled to a guaranteed pro-rata Annual Target Bonus (based upon the number of days during fiscal year 2023 that the Executive is employed by the Company), subject to the Executive's continued employment on the date of payment.

(c) Signing Bonus. Within sixty (60) days following the Effective Date, Executive will receive a one-time fully vested restricted stock unit award with a grant date fair value equal to $500,000 (the "Sign-on Stock Award") under the Company's Equity Plan. If the Executive voluntary resigns without Good Reason or the Company terminates the Executive's employment for Cause, in each case, prior to the first anniversary of the Effective Date, the Executive shall (i) forfeit shares received with respect to the Sign-on Stock Award on a pro-rata basis and (ii) repay to the Company on a pro-rata basis any proceeds received with respect to the Sign-on Stock Award.

(d) Income Tax Withholding. The Company may withhold from any compensation (including salary and/or bonuses) or benefits payable to the Executive all Federal, State, City or other taxes as shall be required pursuant to any applicable law or governmental regulation or ruling.

(e) Paid Time Off. Subject to the terms hereof, the Executive shall receive 21 days as paid time off per calendar year in accordance with the Company's policy on accrual and use applicable to employees as in effect from time to time, except as provided herein. For avoidance of doubt, for fiscal year 2023, the Executive shall receive thirteen (13) days as paid time off. Any unused paid time off shall carry forward.

(f) Benefits. The Executive may participate in any and all benefit programs that the Company establishes and makes available to its senior executives from time to time, provided that the Executive is eligible under (and subject to all provisions of) the plan documents governing those programs. These benefits currently include Medical, Dental, Vision, Life Insurance, Long Term and Short-Term Disability Options, Health Savings Account (HSA), and Employee Assistance Plan. Benefits are subject to change at any time in the Company's discretion.

(g) Stock Options.

(i) Within sixty (60) days following the Effective Date, Executive will receive a stock option award (" Stock Option Award") with terms as set forth herein. The Stock Option Award will have a ten (10) year term. The Stock Option Award will be an incentive stock option within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code") to the fullest extent permitted by law. The Stock Option Award will provide that in the event a broker-assisted exercise (or similar mechanic) has not been adopted or made available by the Company, the Executive will have the right to reduce options to cover the exercise price and required withholding taxes and the Company shall implement the Executive's election if made. The Stock Option Award shall become exercisable upon the achievement of the applicable "Milestone" set forth below and the Executive's completion of a period of service measured from the Effective Date as set forth under "Vest" below. The Stock Option Award will have an exercise price equal to the opening price of the Company's common stock on date of grant, and the parties understand that the $3.00 per share exercise price set forth in the table below is merely a placeholder for this price.

See Option Table below:

Options	Milestone (30 day north of)	Strike	# of Options	Vest
	$ 4.00	$ 3.00	500,000	12 months
	$ 5.00	$ 3.00	400,000	12 months
	$ 7.50	$ 3.00	300,000	12 months
	$ 10.00	$ 3.00	200,000	18 months
	$ 12.50	$ 3.00	100,000	24 months
	$ 15.00	$ 3.00	100,000	24 months
	$ 17.50	$ 3.00	100,000	24 months
	$ 20.00	$ 3.00	50,000	24 months

(ii) The Executive will also be eligible for an annual stock option grant at the good faith determination of the Board (or a committee thereof), at a level commensurate with the Executive's position beginning with the Company's 2024 fiscal year.

(h) Restricted Stock Units. Within sixty (60) days following the Effective Date, Executive will receive a one-time fully vested pro rata (based upon the number of days during fiscal year 2023 that the Executive is employed by the Company) restricted stock unit award with a grant date fair value equal to $1,000,000 (the "Inducement Stock Award") (rounded to the nearest whole share of the Company's common stock) under the Plan.

(i) Executive shall be eligible for annual additional grants of restricted stock units, as determined in good faith by the Board (or a committee thereof), at a level commensurate with the Executive's position beginning with the Company's 2024 fiscal year, and following fiscal years, with a grant date fair value equal to no less than $1,000,000 on an annual basis (rounded to the nearest whole share of the Company's common stock).

(ii) The Stock Options, the Sign-on Stock Award, Restricted Stock Award, Inducement Stock Award and any future stock awards that the Executive may receive will each provide that in the event a broker-assisted exercise (or similar mechanic) has not been adopted or made available by the Company, the Executive will have the right and the Company shall cover the required tax withholding upon vesting (or in the case of options, exercise) by retaining shares of the vested stock award (in the case of awards of restricted stock or restricted stock units) or shares acquired upon exercise (in the case of stock options). In addition, in the case of any stock option grants, the Executive will have the right and the Company shall cover the exercise price by retaining shares acquired upon such exercise.

(i) Legal Fees. The Company will pay the reasonable legal fees and disbursements relating to the negotiation and documentation of the Executive's employment arrangements with the Company, not to exceed $25,000, upon presentation of invoices therefor. In addition, the Company will pay the reasonable legal fees and disbursements relating to any future negotiations concerning any potential or effective change of control or with any acquirer or proposed acquirer of the Company with respect to such acquisition or proposed acquisition and any continued employment or any termination arrangements therewith promptly either in advance or upon presentation of invoices therefor, not to exceed $25,000 per each applicable event. For avoidance of doubt, nothing in this Section 6(h) shall limit any indemnification obligation that the Company may have to the Executive.

(j) Directors and Officers Insurance. The Company agrees to seek to obtain and maintain, a directors' and officers' liability insurance policy covering the Executive to the same extent the Company provides such coverage for its other executive officers and directors. The Executive shall be entitled to such rights regarding indemnification as are provided in the Company's Charter and Bylaws, or the Executive's indemnification agreement with the Company, as they may be amended from time to time.

6. **Expenses.** The Executive shall be entitled to reimbursement by the Company for all reasonable business and travel expenses (at least in-line with the customary travel expense practices of the Company with other senior executives) incurred by the Executive on the Company's behalf during the course of the Executive's employment with the Company, upon the presentation by the Executive of documentation itemizing such expenditures and attaching all supporting vouchers and receipts in accordance with the Company's policies. Reimbursement will be made no later than thirty (30) calendar days after the expense is substantiated (which must occur within thirty (30) calendar days after the expense is incurred).

7. **Termination and the Effect of Termination.**

(a) General. If the Executive's employment ceases for any reason, the Executive (or the Executive's estate, as applicable) will be entitled to receive the following (the "Accrued Benefits"):

(i) any earned but unpaid compensation, including unused paid time off, to be paid in accordance with the Company's regular payroll practices and with applicable law;

(ii) unreimbursed business expenses incurred, and for which expenses the Executive has provided appropriate documentation, in accordance with the Company's policies; and

(iii) any amounts or benefits to which the Executive is then entitled under the terms of the benefit plans then sponsored by the Company in accordance with their terms (and not accelerated to the extent acceleration does not satisfy Section 409A of the Code).

(b) Death or Disability. The Executive's employment shall terminate automatically upon his death. The Company may terminate the Executive's employment upon the occurrence of a Disability (as defined below), such termination to be effective upon the Executive's receipt of written notice of such termination. In the event the Executive's employment is terminated due to his death or Disability, the Executive or his estate or his beneficiaries, as the case may be, shall be entitled to the Accrued Benefits.

(c) Termination by the Company for Cause or by the Executive without Good Reason . This Agreement, the Term of Employment and the employment of the Executive shall terminate, (i) at the election of the Company for Cause (as defined below) upon written notice by the Company to the Executive, or (ii) at the election of the Executive, other than for Good Reason (as defined below), upon sixty (60) days' prior written notice by the Executive to the Board (the "Notice Period"), provided that the Company may choose to end the Executive's employment at any time during the Notice Period (without changing the classification of such termination of employment as a voluntary resignation by the Executive without Good Reason), but during the entire Notice Period (disregarding the Company's election to end the Executive's employment prior to the end of the Notice Period), the Company shall continue to pay the Executive his Base Salary, benefits (including continued accrual of paid time off benefits) and other remuneration at their then current levels. If the Executive's employment is terminated in accordance with this Section 7(c), the Company's obligations under this Agreement shall cease (other than as provided in this Section 7) and the Executive shall be entitled to the Accrued Benefits.

(d) Termination by the Company without Cause or by the Executive with Good Reason. In the event the employment of the Executive is terminated by the Company without Cause or by the Executive with Good Reason, the Company shall pay the Executive the Accrued Benefits. In addition, the Company shall:

(i) pay to the Executive an aggregate cash amount equal to the sum of (x) one full year of Base Salary plus (y) an amount equal to the Executive's Annual Target Bonus for one full year payable as follows: (A) fifty percent (50%) shall be paid on the Payment Date (as defined below), (B) twenty five percent (25%) shall be paid on the first payroll date immediately following the three (3) month anniversary of the date of such termination of employment, and (C) the remaining twenty five percent (25%) shall be paid on the first payroll date immediately following the six (6) month anniversary of the date of such termination of employment;

(ii) pay to the Executive, in a single cash lump sum on the Payment Date, the Annual Bonus to be payable to the Executive for the immediately preceding Performance Year that has not yet been paid to the Executive as of the date of the Executive's termination equal to the Target Bonus (without duplication of any other Annual Bonus paid or payable with respect to such immediately preceding Performance Year);

(iii) provide for the full and immediate acceleration of all unvested equity, including stock options and restricted stock units, of the Executive;

(iv) for a period of twelve (12) months following the Executive's termination date, and provided the Executive is eligible for and timely elects to continue receiving group medical insurance pursuant to COBRA (Consolidated Omnibus Budget Reconciliation Act), continue to pay the share of the premium for health coverage that is paid by the Company for active and similarly-situated employees who receive the same type of coverage. If the Company is unable to provide such benefit, the Company shall pay to the Executive a cash lump sum payment equal to the value of the unprovided benefit to cover benefits for the Executive and his family, including a tax gross-up. At the end of such twelve (12) month period, the Executive shall be entitled to such rights as the Executive may have to continue health insurance coverage at the Executive's sole expense as are then accorded under COBRA, for the remainder of the COBRA coverage period; and

(v) notwithstanding the requirement that the Executive be an active employee of the Company on date of payment, pay to the Executive, in a single cash lump sum on the Payment Date, a prorated portion of the Executive's Annual Bonus for the Performance Year in which the separation occurs under this subsection, irrespective of whether the performance goals applicable to such Annual Bonus have been established or satisfied, such prorated portion to be calculated by multiplying the Annual Target Bonus for such Performance Year by the quotient obtained by dividing the number of whole and partial months of the Performance Year during which the Executive has provided services to the Company by twelve (12).

Payments and benefits provided in this Section 7(d) shall be in lieu of any termination or severance payments or benefits for which the Executive may be eligible under any of the plans, policies or programs of the Company Group or under the Worker Adjustment Retraining Notification Act of 1988 or any similar state statute or regulation.

(e) Release. In conjunction with the Executive's receipt of the benefits described under Section 7(d) (such benefits, the "Severance Benefits"), the Company shall provide to the Executive and the Executive will execute and return to the Company a severance agreement and general release of claims substantially in the form set forth in Exhibit A hereof within sixty (60) days following the date of the Executive's termination of employment (or such shorter period as may be directed by the Company and as permitted by law) (the sixty (60)-day anniversary of the Executive's termination of employment shall be the "Payment Date"). Severance Benefits will be paid on the Payment Date. If the Company breaches its obligations to

pay or provide the Severance Benefits in any material respect, following written notice from the Executive and a thirty (30) day period to substantially cure such breach, the general release of claims shall become void and non-binding on the Executive, but the Company shall not be released from its obligations to provide the payments and benefits described under Section 7(d).

(f) Exclusive Remedy. The amounts payable to the Executive following termination of employment and the Term of Employment hereunder pursuant to Section 7(d) hereof shall be in full and complete satisfaction of the Executive's rights under this Agreement and any other claims that the Executive may have in respect of the Executive's termination of employment with the Company or any of its affiliates, and the Executive acknowledges that such amounts are fair and reasonable, and are the Executive's sole and exclusive remedy, in lieu of all other remedies at law or in equity, with respect to the termination of the Executive's employment hereunder. If the Company breaches its obligations to pay or provide the Severance Benefits in any material respect, following written notice from the Executive and a thirty (30) day period to substantially cure such breach, this Section 7(f) shall become void and non-binding on the Executive, and the Executive shall be entitled to pursue any and remedies available to the Executive at law or in equity.

8. **Non-disparagement.** The Executive agrees not to make negative comments or otherwise disparage the Company or any of its affiliates or any of its or their respective partners, members, managers, officers, directors, employees, shareholders, agents, products, services or business. The Company agrees that the members of the Board and the individual executives who directly report to the Company's Chief Executive Officer shall not make negative comments or otherwise disparage the Executive. The foregoing provisions shall not be violated by truthful statements in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including depositions in connection with such proceedings) and the foregoing limitation on the Company's executives, including the Executive, and directors shall not be violated by statements that they in good faith believe are necessary or appropriate to make in connection with performing their duties and obligations to the Company.

9. **Return of Company Property.** On or within a reasonable period of time following the date of the Executive's termination of service with the Company for any reason, the Executive shall return all Proprietary Information (as defined below) or other property belonging to the Company or any of its affiliates (including any Company Group-provided laptops, computers, cell phones, wireless electronic mail devices or other equipment, or documents and property belonging to the Company). The Executive shall certify in writing to the Company Group at the time of such return (or following the date of the Executive's termination of employment upon the request of the Company) that all Company property has been returned. Without limiting the foregoing, Executive hereby agrees to cooperate with the Company's representatives with respect to the return and safeguard of the Company's property (including providing passwords) and, if directed by the Company, allow such representatives to oversee the process of erasing and/or permanently removing any such Proprietary Information or other property of the Company from any computer, personal digital assistant, phone, or other electronic device, or any cloud-based storage account or other electronic medium owned or controlled by the Executive. Following the cessation of the Executive's employment with the Company, Executive shall not access (or assist others in accessing) the Company's computer network, voice mail system, or other information systems, and the Executive shall not in any manner destroy, delay, delete or modify any data, information, or software stored in any computer, PDA, or other electronic equipment provided by the Company. Upon termination of the Executive's employment for any reason, the Executive will promptly remove from any social media accounts that the Executive maintains any reference purporting to indicate that the Executive's employment (or other service relationship) with the Company is current. Notwithstanding the foregoing, upon the Executive's termination of employment, the Executive may retain, for his personal use, the possession of, and the Company shall transfer ownership of, the Company-issued laptop used by the Executive as of his date of termination of employment; provided, however, that the Company shall be entitled to image the laptop prior to such transfer and remove all Proprietary Information that exists on such laptop.

10. **Definitions.** As used in this Agreement:

(a) "Cause" shall mean a finding by the Board that the Executive: (1) materially and willfully breached this Agreement, provided that, the Executive was given prior written notice of such alleged breach and was granted a reasonable opportunity of not less than fifteen (15) days to substantially cure any such breach (if substantially curable); (2) materially and willfully breached a material term or condition of any other agreements to which he is bound as per this Agreement, provided that, the Executive was given prior written notice of such alleged breach and was granted a reasonable opportunity of not less than fifteen (15) days to substantially cure any such breach (if substantially curable); (3) engaged in gross and willful misconduct, fraud or embezzlement in his job duties (other than good faith immaterial expense account disputes), provided that the Executive was given prior written notice of such alleged conduct and was granted a reasonable opportunity of not less than fifteen (15) days to substantially cure any such conduct (if substantially curable); (4) was convicted of, or pleaded guilty to a felony crime (other than a traffic offense that does not cause serious bodily injury to another person), or (5) violated the Company's written policies with respect to insider trading, anti-corruption, discrimination or harassment, provided that the Executive was given prior written notice of such alleged conduct and was granted a reasonable opportunity of not less than fifteen (15) days to substantially cure any such conduct (if substantially curable). The foregoing notwithstanding, Company may not terminate the Executive's employment for Cause unless: (a) a determination that Cause exists is made and approved by three-quarters (3/4) of Company's Board (excluding the Executive), (b) the Executive is given at least 15 days prior written notice of the Board meeting called to make such determination, and (c) the Executive and his legal counsel are given the opportunity to provide materials and address such meeting prior to a vote of the Board. The foregoing shall not limit the right of the Company to suspend the Executive from his day-to-day responsibilities with the Company pending the completion of such notice and cure procedures.

(b) "Disability" shall mean a material physical or mental illness or disability that prevents the Executive from performing the essential functions of the Executive's position, with reasonable accommodations, for a period of more than any one hundred twenty (120) consecutive days or for periods aggregating more than twenty-six (26) weeks in any twelve (12) month period. The Executive shall cooperate in all respects with the Company if a question arises as to whether the Executive has become disabled (including submitting to reasonable examinations by one or more qualified medical doctors and other qualified health care specialists located in the Greater Seattle Area selected by the Company and acceptable to the Executive and authorizing such medical doctors and other health care specialists to discuss the Executive's condition with the Company on a confidential basis. The Board shall determine in good faith whether the Executive is unable to perform the duties provided for herein.

(c) "Good Reason" shall mean the occurrence, without the Executive's prior written consent, of any of the following events: (1) a change in the Executive's reporting relationship such that the Executive no longer reports directly to the Board; (2) a diminution in any of the Executive's titles or a material reduction in the authority, duties, or responsibilities of the Executive or the assignment to the Executive of duties or responsibilities materially inconsistent with the Executive's position; (3) a 10% or greater reduction of the Executive's Base Salary or aggregate annual remuneration opportunity (excluding, for the sake of clarity, the Executive's one-time Sign-on Stock Award from the calculation of the Executive's aggregate annual remuneration opportunity); (4) failure by the Board to nominate the Executive to the Board; (5) the requirement for the Executive to relocate his primary residence to a location more than fifty (50) miles from its then current location; or (6) any action or inaction of the Company that constitutes a material breach by the Company of its obligations to the Executive under this Agreement. No resignation will be treated as a resignation for Good Reason unless (A) the Executive provides written notice describing the grounds for Good Reason to the Board of the Executive's intention to terminate employment for Good Reason within thirty (30) days after the first occurrence of such circumstances, (B) the Executive provides the Company with at least thirty (30) days to

cure the circumstances, and (C) if the Company is not successful in substantially curing the circumstances, the Executive ends the Executive's employment within ninety (90) days following the cure period.

11. **Amendments.** Any amendment to this Agreement shall be made in writing and signed by the Parties hereto.

12. **Notice.**

If to the Executive:

At the physical address and personal email shown in the books and records of the Company.

If to the Company:

At the Company's principal executive offices
Attention: Board of Directors and General Counsel

or to such other address as either Party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

13. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington (without reference to the conflict of laws provisions thereof). Any action, suit or other legal proceeding arising under or relating to any provision of this Agreement shall be commenced in Seattle, Washington or, if appropriate, a federal court located within the Western District of the State of Washington, and the Company and the Executive each consents to the jurisdiction of such a court. Each Party expressly acknowledges, confirms and agrees that he or it is and has been individually represented by legal counsel in negotiating the terms of this Agreement, including, without limitation, with respect to the choice of Washington law to govern this Agreement and the sole and exclusive venue of courts within Seattle, Washington with respect to any disputes arising under this Agreement.

14. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of both Parties and their respective successors and assigns, including any corporation with which or into which the Company may be merged or which may succeed to its assets or business; provided, however, that the obligations of the Executive are personal and shall not be assigned by the Executive. The Executive further acknowledges and agrees that the Executive's employment with the Company includes service to the Company Group and the Executive's employer of record may be a member of the Company Group other than the Company, although the Parties agree that any such designation is being made for reasons of administrative convenience and shall have no effect on the substantive rights and obligations of either Party under this Agreement.

15. **Effect of Section 409A of the Code.** For purposes of this Agreement, a termination of employment will mean a "separation from service" as defined in Section 409A of the Code, and each amount to be paid or benefit to be provided will be construed as a separate identified payment for purposes of Section 409A of the Code. Notwithstanding anything to the contrary in this Agreement, if the Executive is deemed on the date of termination to be a "specified employee" within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a "separation from service," such payment or benefit shall not be made or provided until the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such "separation from service" of the Executive, and (B) the date of the Executive's death, to the extent required under Section 409A of the Code. Upon the expiration of the foregoing delay period, all payments and benefits delayed pursuant to this Section 15 (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Executive in a lump sum, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein. The determination of whether and when the Executive's separation from service from the Company has occurred shall be made in a manner consistent with, and based on the presumptions set forth in, Treasury Regulation Section 1.409A-l(h). Solely for purposes of this determination, "Company" shall include all persons with whom the Company would be considered a single employer under Section 414(b) and 414(c) of the Code. Neither the Company nor the Executive will have the right to accelerate or defer the delivery of any payments or benefits subject to Section 409A of the Code except to the extent that would not create any additional tax liability to the Executive under Section 409A of the Code. This Agreement is intended to comply with the provisions of Section 409A of the Code and this Agreement shall, to the extent practicable, be construed in accordance therewith. Terms defined in this Agreement will have the meanings given such terms under Section 409A of the Code if and to the extent required to comply with Section 409A of the Code. To the extent that reimbursements or other in-kind benefits under this Agreement constitute "nonqualified deferred compensation" for purposes of Section 409A, (A) all expenses or other reimbursements hereunder shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Executive, (B) any right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (C) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year. In no event whatsoever shall the Company Group or its affiliates be liable for any additional tax, interest or penalty that may be imposed on Executive by Section 409A of the Code or damages for failing to comply with Section 409A of the Code.

16. **Proprietary and Confidential Information.**

(a) The Executive agrees that all information and know-how, whether or not in writing, of a private, secret or confidential nature concerning the Company's business or financial affairs (collectively, "Proprietary Information") is and shall be the exclusive property of the Company. By way of illustration, but not limitation, Proprietary Information may include discoveries, ideas, inventions, algorithms, products, product improvements, product enhancements, processes, methods, techniques, formulas, compositions, compounds, negotiation strategies and positions, projects, developments, plans (including business and marketing plans), research data, clinical data, financial data (including sales costs, profits, pricing methods), personnel data, computer programs (including software used pursuant to a license agreement), and all in-house built technology and software, customer, prospect and supplier lists, and contacts at or knowledge of customers or prospective customers of the Company. This definition shall not alter any different definition of "confidential information" or any equivalent term under applicable state or federal law for purposes of such applicable state or federal law. Unless required by law, the Executive will not disclose any Proprietary Information to any person or entity or use the same for any purposes (other than in the performance of his duties as an employee of the Company). Nothing in this Agreement prohibits Executive from disclosing Proprietary Information pursuant to subpoena or other lawful process, provided that, if he is served with a subpoena or process, he will notify the Company promptly so that Company can decide whether it wishes to seek a protective order or other appropriate relief.

(b) Nothing in this Agreement is intended to or shall prevent, impede or interfere with the Executive's right, without prior notice to the

Company, to provide information to the government, participate in investigations, file a complaint, testify in proceedings regarding the Company's past or future conduct, or engage in any activities protected under any whistleblower statutes.

(c) While employed by the Company, the Executive will use the Executive's diligent and commercially reasonable efforts to prevent unauthorized publication or disclosure of any of the Company's Proprietary Information. Notwithstanding the foregoing, the following will not be considered Proprietary Information: information that was already in the public domain at the time of receipt or that came into the public domain thereafter, in each case, through no act by the Executive in breach of any confidentiality obligation.

(d) The Executive agrees that all files, documents, letters, memoranda, reports, records, data, sketches, drawings, models, laboratory notebooks, program listings, computer equipment or devices, computer programs or other written, photographic, or other tangible or intangible material containing Proprietary Information, whether created by the Executive or others, which shall come into his custody or possession, shall be and are the exclusive property of the Company to be used by the Executive only in the performance of his duties for the Company.

(e) The Executive agrees that his obligation not to disclose or to use information and materials of the types set forth above, and his obligation to return materials and tangible property, also extends to such types of information, materials and tangible property of customers of the Company or suppliers to the Company or other third parties who may have disclosed or entrusted the same to the Company or to the Executive in the course of the Company's business.

17. **The Defend Trade Secrets Act.** The Parties understand and agree that notwithstanding the Executive's obligations to protect Proprietary Information, the Executive may disclose Proprietary Information or trade secrets in confidence to a federal, state, or local government official, directly or indirectly, or to an attorney advising the Executive about such disclosures, provided that the disclosure is made solely for the purpose of reporting or investigating a suspected violation of law. The Parties also understand that should the Executive ever file a lawsuit against the Company claiming retaliation, or if the Executive is involved in any other lawsuit or proceeding, the Executive may disclose Proprietary Information or trade secrets to the Executive's attorney and use it in a court proceeding if the Executive: (a) files under seal any document containing the Proprietary Information, and (b) does not disclose the Proprietary Information except pursuant to a court order.

18. **Inventions, Developments, and Works.**

(a) The Executive acknowledges and agrees that all drafts, records, memoranda, notes, compositions, writings, diaries, drawings, photographs, graphics, logos, sketches, audio-visual material, films, pictures, sound recordings, charts, software, algorithms, ideas, Inventions, code, and any other materials, including any invention that is or contains copyrightable material and the technology, mobile applications and algorithms and all in-house built technology and software, and all derivatives and updates thereto, authored or prepared by the Executive, in whole or in part, or that the Executive authors, creates, prepares, in whole or part, during the Executive's engagement with the Company or within the scope of his or her engagement as a service provider, but excluding Excluded Works (defined below) ("Works"), are deemed works made for hire, owned and authored by the Company, as that term is defined in the Copyright Laws of the United States of America. To the extent that any such Works are deemed not to be works made for hire, the Executive irrevocably and without limit hereby assigns all current and future right, title, and interest and all copyright in the Works throughout the world to the Company (or its designee) as set forth above. The Executive expressly waives any ownership claim, now or in the future, in the Works; any right or claim of any right to create new derivative works or adaptations based on the Works in the future; and the right to apply for or file any copyright registrations for the Works or any part of them. The Executive acknowledges that the Company has the sole right to apply for, obtain, and own copyright registrations and use the copyright notices to the Works. The Executive now and forever expressly waives any right of publicity, attribution, and integrity, including any so-called moral rights or equivalents thereof, arising under U.S. federal law and under any state law and under the laws of any other country that conveys rights of the same nature.

(b) The Executive acknowledges and agrees that any and all Inventions made, conceived, discovered, reduced to practice or developed, by the Executive alone or with others, during the Executive's engagement with the Company belong to the Company ("Executive Inventions"). The Executive will promptly and fully disclose to the Company all Executive Inventions. Executive hereby irrevocably transfers and assigns to the Company or its designee (if not otherwise transferred by law), as its exclusive property, the entire worldwide and perpetual right, title and interest in all Executive Inventions, including (but not limited to) any patent applications, patents, trade secrets, or confidential information. Executive agrees that these obligations bind Executive's assigns, executors, administrators, and other legal representatives. "Inventions" means any and all discoveries, ideas, improvements, innovations, inventions, information, know-how, processes, or techniques, in whole or in part, whether patentable or not, which generally relate to or are useful to the Company's current or future business.

(c) The Executive will cooperate fully with the Company, during and after his engagement as an employee for the Company, with respect to the protection of the Company's intellectual property rights in the Works and Executive Inventions anywhere in the world, including signing all papers that the Company requests that the Executive sign to perfect or protect those rights at Company's expense and upon Company compensating the Executive or his estate for his time. The Executive agrees that these obligations are binding on the Executive's assigns, executors, administrators, heirs and other legal representatives.

(d) The Executive acknowledges and agrees that the Executive has no right to use or seek registration for any Work, Executive Invention, trade name, trademark, service mark, trade dress, logo, or other source identifying designation owned or used by or licensed to the Company ("Company Intellectual Property") and shall not challenge or assist another party in challenging the Company's ownership in or the validity of Company Intellectual Property.

(e) "Excluded Works" means any work or invention created by Executive entirely on Executive's own time, for which no equipment, supplies, facilities, or Proprietary Information of the Company was used, which does not relate to any of the services set forth in this Agreement, and which does not relate to the Company's business at the time of work or invention. In furtherance of the foregoing, the Executive hereby acknowledges and agrees that, in accordance with Section 49.44.140 of the Revised Code of Washington, following the Effective Date, this Section 18(e) does not require the Executive to assign or offer to assign to the Company any Invention that the Executive develops entirely on the Executive's own time without using the Company Group's equipment, supplies, facilities or trade secret information, except for those Inventions that either: (a) relates directly to the Company Group's business, or actual or demonstrably anticipated research or development; or (b) result from any work performed by the Executive for the Company Group. To the extent a provision in the foregoing purports to require Executive to assign an Invention otherwise excluded from the preceding paragraph, the provision is against the public policy of the State of Washington and is unenforceable. This limited exclusion does not apply to any patent or Invention covered by a contract between the Company Group and the United States or any of its agencies requiring full title to such patent or Invention to be in the United States.

19. **Non-Competition.** The Executive acknowledges and agrees that (i) the Executive performs services of a unique nature for the Company Group that are irreplaceable, and that the Executive's performance of such services to a competing business will result in irreparable harm to the Company Group, (ii) the Executive has had and will continue to have access to Proprietary Information, which, if disclosed, would unfairly and inappropriately assist in competition against the Company Group, (iii) in the course of the Executive's employment by or service with a competitor, the Executive would inevitably use or disclose such Proprietary Information, (iv) the Company Group and its affiliates have substantial relationships with their customers and the Executive has had and will continue to have access to these customers, and (v) the Executive has generated and will continue to generate goodwill for the Company Group and its affiliates in the course of Executive's service. Accordingly, during the Executive's employment with the Company Group and, to the extent permitted under the laws of the State of Washington, for the twelve (12) month period following the date of Executive's termination of employment for any reason, the Executive agrees that the Executive will not, directly or indirectly, own, manage, operate, control, be employed by (whether as an employee, consultant, independent contractor or otherwise, and whether or not for compensation) or render services to any person, firm, corporation or other entity, in whatever form, engaged in the Restricted Business in the Restricted Territory. The foregoing limitation shall include the Executive providing services or advice to a person or company, or pursuing on the Executive's own behalf, with respect to the review, analysis or diligence of a Restricted Business in connection with an investment, acquisition, merger, corporate transaction or otherwise. "Restricted Business" means (i) any business or enterprise for whom the following businesses constitutes a majority (at least 51%) of the Company's revenue (based on its latest annual consolidated financial statements):– (a) that develops and operates cryptocurrency mining data center facilities, and/or provides cryptocurrency mining hosting services (for avoidance of doubt, this excludes general data center facilities), and/or (ii) any business in which the Company Group is engaged on the date of the Executive's termination of employment which constitutes more than twenty percent (20%) of the Company's revenue (based on its latest annual consolidated financial statements), and which at the time of the termination of the Executive's employment for any reason shall not comprise more than 100 businesses, which shall be named in a written list provided by the Company to the Executive). "Restricted Territory" means, individually and collectively: (i) the geographic area(s) within a fifty (50) mile radius of (A) any and all Company Group location(s) in, to, or for which the Executive worked, to which the Executive was assigned or had any responsibility (either direct or supervisory) at the time of termination of the Executive's employment and at any time during the twelve (12) month period prior to such termination; and (B) all of the specific customer accounts, whether within or outside of the geographic area described in (i)(A) above, with which the Executive had any contact or for which the Executive had any responsibility (either direct or supervisory) at the time of termination of the Executive's employment and at any time during the twelve (12) month period prior to such termination; and (ii) any city(ies), county(ies), parish(es), municipality(ies), province(s), or state(s) of the United States (or similar geographic area of another country) that contain the geographic area(s) described in subpart (i) above. Notwithstanding the foregoing, nothing herein shall prohibit the Executive from being a passive owner of not more than five percent (5%) of the equity securities of a publicly traded corporation engaged in a business that is in competition with the Company, so long as the Executive has no active participation in the business of such corporation.

20. **Non-Solicitation of Customers and Suppliers.** While the Executive is employed by the Company Group and for a period of one (1) year after the termination or cessation of such employment for any reason, the Executive will not directly or indirectly, either alone or in association with others, solicit, divert or take away, or attempt to divert or take away, the business or patronage of any of the actual clients, customers, accounts or business partners of the Company Group.

21. **Non-Solicitation of Employees.** While the Executive is employed by the Company Group and for a period of one (1) year after the termination or cessation of such employment for any reason, the Executive will not directly or indirectly, either alone or in association with others: (i)solicit, induce or attempt to induce, any employee or independent contractor of the Company Group to terminate his or her employment or other engagement with the Company Group, or (ii) recruit, or attempt to recruit, or engage or attempt to engage as an independent contractor, any person who was employed or otherwise engaged by the Company Group at any time during the term of the Executive's employment with the Company Group; provided, that this clause (ii) shall not apply to the recruitment or other engagement of any individual whose employment or other engagement with the Company has been terminated for a period of three months or longer.

22. **Remedies.** The Executive acknowledges and agrees that the Company's remedies at law for a material breach or substantiated threatened material breach of any of the provisions of Sections 16 and 18-21 hereof (collectively, the "Executive Covenants") would be inadequate and, in recognition of this fact, the Executive agrees that, in the event of such a material breach or a substantiated threatened material breach, in addition to any remedies at law, the Company shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy which may then be available, without the necessity of showing actual monetary damages or the posting of a bond or other security. In the event of a violation by the Executive of the Executive Covenants, without limitation of any other rights or remedies, any severance (if any) or other benefits being paid or provided to the Executive shall immediately cease, and any severance previously paid (if any) to the Executive shall be immediately repaid to the Company (less $500, which the Executive acknowledges and agrees is sufficient consideration for the Executive's release of claims), provided that, the Executive was given prior written notice of such material breach or substantiated threatened material breach and was granted a reasonable opportunity of not less than fifteen (15) days to substantially cure any such material breach or substantiated threatened material breach. The existence of any claim or cause of action by the Executive against the Company Group or any of its affiliates, whether predicated on this Agreement or otherwise, will not constitute a defense to the enforcement by the Company Group or its affiliates of Sections 16 and 18-21 of this Agreement, which will be enforceable notwithstanding the existence of any breach by the Company Group or its affiliates.

23. **Captions and Pronouns.** The captions of the sections of this Agreement are for convenience of reference only and in no way define, limit or affect the scope or substance of any section of this Agreement. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular forms of nouns and pronouns shall include the plural, and vice versa.

24. **Interpretation.** The Parties agree that this Agreement will be construed without regard to any presumption or rule requiring construction or interpretation against the drafting Party. References in this Agreement to "include" or "including" should be read as though they said "without limitation" or equivalent forms.

25. **Severability.** Each provision of this Agreement must be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement. Moreover, if a court of competent jurisdiction determines any of the provisions contained in this Agreement to be unenforceable because the provision is excessively broad in scope, whether as to duration, activity, geographic application, subject or otherwise, it will be construed, by amending, limiting or reducing it to the extent legally permitted, so as to be enforceable to the extent compatible with then applicable law to achieve the intent of the Parties. In the event of any violation

of the provisions of the Executive Covenants, the Executive acknowledges and agrees that the post-termination restrictions contained in such violated Executive Covenant shall be extended by a period of time equal to the period of such violation, it being the intention of the parties hereto that the running of the applicable post-termination restriction period shall be tolled during any period of such violation; provided in no event shall the non-competition or non-solicitation covenants set forth in Sections 19-21 of this Agreement extend beyond eighteen (18) months following the date of the Executive's termination of employment. This Agreement does not, in any way, restrict or impede the Executive from exercising the Executive's rights under Section 7 of the National Labor Relations Act or exercising other protected rights to the extent that such rights cannot be waived by agreement.

26. **Entire Agreement and Survival.** This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements and understandings, whether written or oral, relating to the subject matter of this Agreement. The Executive Covenants shall survive the termination or expiration of the Term of Employment and the Executive's employment with the Company Group and shall be fully enforceable thereafter.

27. **Clawback Policy.** Notwithstanding anything in this Agreement or otherwise to the contrary, the Executive acknowledges and agrees that the Company may be entitled or required by law, pursuant to a policy of the Company (the "Clawback Policy") or the requirements of an exchange on which the Company's shares are listed for trading, to recoup compensation paid to the Executive pursuant to this Agreement or otherwise, and the Executive agrees to comply with any such request or demand for recoupment by the Company to the extent consistent with either (a) written Company policy and in effect during Executive's Term of Employment or (b) applicable law. The Executive acknowledges that the Clawback Policy may be modified from time to time in the sole discretion of the Company.

28. **Conflicts of Interest.** The Executive acknowledges and agrees that the Executive is strictly prohibited from offering or accepting bribes, kickbacks, and similar payments directly or indirectly. In addition, the Executive will not offer, approve, or give money, gifts, or anything else of value to customers or government officials unless it is legal, reasonable, and free of any intent, understanding, or appearance that it will, or could, improperly influence a business decision or government action. Likewise, the Executive will report transactions which could be perceived as money laundering, such as overpayments and unauthorized payments to third parties, and the Executive agrees to follow all Company Group procedures related to acceptable forms of payment.

29. **Duty of Loyalty.** The Executive hereby acknowledges and agrees that at all times during the Executive's employment with the Company Group, the Executive will faithfully and diligently perform the Executive's duties to the Company Group, will owe a fiduciary duty and duty of loyalty to the Company Group in accordance with the laws of the State of Delaware, and will use the Executive's diligent and professional efforts to promote and develop the business of the Company Group.

30. **Cooperation.** Upon the receipt of reasonable notice from the Company Group (including outside counsel retained by the Company), the Executive agrees that while employed by the Company Group and for a period of twenty-four (24) months thereafter (except for assistance related to a claim being actively defended or asserted by the Company Group, which shall continue until such claim is no longer being defended or asserted by the Company Group, as the case may be), the Executive will respond and provide information with regard to matters in which the Executive has knowledge as a result of the Executive's employment with the Company Group, and will provide reasonable assistance to the Company Group, its affiliates and their respective representatives in defense of any claims that may be made against the Company Group or its affiliates, and will assist the Company Group and its affiliates in the prosecution of any claims that may be made by the Company Group or its affiliates, to the extent that such claims may relate to the period of Executive's employment or service with the Company Group (collectively, the "Claims"), all at the Company's cost and expense (subject to the Company Group's then applicable expense reporting and reimbursement policies and procedures). The Executive agrees to promptly inform the Board in writing if the Executive becomes aware of any lawsuits involving Claims that may be filed or threatened against the Company Group or its affiliates. The Executive also agrees to promptly inform the Board (to the extent that the Executive is legally permitted to do so) if the Executive is asked to assist in any investigation of the Company Group or its affiliates (or their actions) or another party attempts to obtain information or documents from the Executive (other than in connection with any litigation or other proceeding in which the Executive is a party-in-opposition) with respect to matters the Executive believes in good faith to relate to any investigation of the Company Group or its affiliates, in each case, regardless of whether a lawsuit or other proceeding has then been filed against the Company Group or its affiliates with respect to such investigation, and shall not do so unless legally required. During the pendency of any litigation or other proceeding involving Claims, the Executive shall not communicate with anyone (other than the Executive's attorneys and tax and/or financial advisors and except to the extent that the Executive determines in good faith is necessary in connection with the performance of the Executive's duties hereunder) with respect to the facts or subject matter of any pending or potential litigation or regulatory or administrative proceeding involving the Company Group or any of its affiliates without giving prior written notice to the Board. The Company agrees to promptly reimburse the Executive for out-of-pocket travel, lodging, meals and duplication expenses, and post termination pay for his time based on the equivalent of the Executive's Base Salary at the time of his termination of employment incurred in connection with such cooperation pursuant to the Company's expense policy as in effect from time to time.

31. **Corporate Opportunities.** During the period of the Executive's employment with the Company Group, in accordance with the requirements of Delaware law, the Executive will submit to the Board all business, commercial and investment opportunities or offers presented to the Executive or of which the Executive becomes aware which relate to the Company Group or its business ("Corporate Opportunities"). During the period of the Executive's employment with the Company Group, unless approved by the Board, the Executive will not accept or pursue, directly or indirectly, any Corporate Opportunities on the Executive's own behalf without prior approval of the Board.

32. **Representations.** Each Party represents and warrants to the other Party that (a) such Party has the legal right to enter into this Agreement and to perform all of the obligations on such Party's part to be performed hereunder in accordance with its terms, (b) such Party is not a party to any agreement or understanding, written or oral, and is not subject to any restriction, which, in either case, could prevent such Party from entering into this Agreement or impede such Party from performing all of such Party's duties and obligations hereunder, and (c) such Party is not the subject of any proceeding or investigation related to a felony, crime of moral turpitude or material violation of criminal or securities law.

33. **Dispute Resolution.** In the event of a dispute between the Parties, the Parties agree to engage in non-binding mediation using a mutually agreed upon mediator based in Seattle, Washington paid for by the Company. If the dispute cannot be mutually resolved within 60 days of the commencement of mediation, each Party retains all legal rights to commence legal proceedings.

[Signatures on Page Following]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first set forth above.

MAWSON INFRASTRUCTURE GROUP, INC.

COMPANY

By: /s/ Greg Martin
Name: Greg Martin
Title: Chairman

EXECUTIVE

/s/ Rahul Mewawalla
Print Name: Rahul Mewawalla

Exhibit A – Release of Claims

SEPARATION AGREEMENT AND GENERAL RELEASE OF CLAIMS

THIS AGREEMENT (the "Agreement") is entered into and between **Mawson Infrastructure Group, Inc.** (the "Company") and **Rahul Mewawalla** (the "Executive"). Together, the Company and Executive may be referred to hereinafter as the "Parties." Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Employment Agreement between the Company and Executive, dated May , 2023 (the "Employment Agreement").

In consideration of the payments, covenants and releases described below, and in consideration of other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged, the Company and Executive agree as follows:

1. Separation from Employment. The Executive's employment with the Company ended on ____ (the "Termination Date"). As of the Termination Date, the Company has paid to Executive any earned but unpaid compensation through the Termination Date. Upon proper submission of receipts and required documentation as provided in the Employment Agreement, the Company shall, within thirty (30) days of the Termination Date, reimburse Executive for expenses incurred and unpaid through the Termination Date. Additionally, Executive shall have such rights under the employee benefits plans as shall be determined under the provisions of such plans. The Executive will receive by separate letter information regarding his rights regarding continuation of health insurance under Section 4980B of the Internal Revenue Code and any similar state law ("COBRA"), and to the extent that Executive has such rights, nothing in this Agreement will change or impair those rights.

2. Separation Obligations of the Company. In consideration of Executive's promises contained in this Agreement, the Company agrees that it shall pay or provide to the Executive the payments and benefits set forth in Section 7(d) of the Employment Agreement (the "Severance Benefits").

3. Separation Obligations of the Executive.

a. Payment of the Severance Benefits shall be subject to Executive's continued compliance in all material respects with this Agreement. Executive expressly affirms and acknowledges his obligations.

b. Prior to the Termination Date and in consideration of the Severance Benefits, Executive agrees that he will reasonably cooperate with the Company, its affiliates and its subsidiaries, as well as any of their officers, directors, shareholders, or employees: (A) concerning requests for information about the business of the Company or its subsidiaries or affiliates or Executive's involvement and participation therein; (B) with respect to transition matters of any nature; and (C) in connection with any future litigation arising out of or related to events occurring during Executive's tenure with the Company in any manner. In addition, Executive acknowledges and agrees that he remains bound by Section 30 of the Employment Agreement, which shall survive the execution of this Agreement in accordance with its terms.

c. Executive acknowledges and agrees that the payments and benefits set forth in Paragraph are consistent with prior agreements executed by the parties and exceed any and all actions, pay, and benefits that the Company might otherwise have owed to Executive by contract or law, and that the payments and benefits set forth in Paragraph 2 constitute good, valuable, and sufficient consideration for Executive's release and agreements herein.

4. General Release of Claims and Covenant Not to Sue.

a. General Release of Claims. In consideration of the payments made to him by the Company and the promises contained in this Agreement, Executive on behalf of himself and his agents and successors in interest, hereby UNCONDITIONALLY RELEASES AND DISCHARGES the Company, its successors, subsidiaries, parent companies, assigns, joint ventures, and affiliated companies and their respective agents, legal representatives, shareholders, attorneys, employees, members, managers, officers and directors (collectively, the "Releasees") from ALL CLAIMS, LIABILITIES, DEMANDS AND CAUSES OF ACTION which he may by law release, as well as all contractual obligations not expressly set forth in this Agreement, whether known or unknown, fixed or contingent, that he may have or claim to have against any Releasee for any reason related to his employment relationship with the Company as of the date of execution of this Agreement. This Release and Covenant Not to Sue includes, but is not limited to, claims arising under federal, state or local laws prohibiting employment discrimination; claims arising under severance plans and contracts; and claims growing out of any legal restrictions on the Company's rights to terminate its employees or to take any other employment action, whether statutory, contractual or arising under common law or case law. The Executive specifically acknowledges and agrees that he is releasing any and all rights under federal, state and local employment laws including without limitation the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 1981, the Americans With Disabilities Act, the Family and Medical Leave Act, the Genetic Information Nondiscrimination Act, the anti-retaliation provisions of the Fair Labor Standards Act, the Employee Retirement Income Security Act, the Equal Pay Act, the Occupational Safety and Health Act, the Worker Adjustment and Retraining Notification Act, the Employee Polygraph Protection Act, the Fair Credit Reporting Act, the California Fair Employment and Housing Act (Cal. Gov't Code §12900 et seq.); California Family Rights Act (Cal. Gov't Code §12945.2); California WARN Act (Cal. Lab. Code §1400 et seq.); the Washington State Law Against Discrimination, as amended (RCW 49.60.010 et seq.); the Washington equal pay law, as amended (RCW 49.12.175); the Washington sex discrimination law (RCW 49.12.200); the Washington age discrimination law (RCW 49.44.090); Washington whistleblower protection laws (RCW 49.60.210, 49.12.005, and 49.12.130); the Washington genetic testing protection law (RCW 49.44.180); the Washington Family Care Act (RCW 49.12.265 to 49.12.295); the Washington Minimum Wage Act (RCW 49.46.005 to 49.46.920); Washington wage, hour, and working conditions laws (RCW 49.12.005 to 49.12.020, 49.12.041 to 49.12.050, 49.12.091, 49.12.101, 49.12.105, 49.12.110, 49.12.121, 49.12.130 to 49.12.150, 49.12.170, 49.12.175, 49.12.185, 49.12.187, 49.12.450); and Washington wage

payment laws (RCW 49.48.010 to 49.48.190); as amended; all tort claims, including without limitation, claims for fraud, defamation, emotional distress, and discharge in violation of public policy; and all claims for breach of contract, wrongful termination, and breach of the implied covenant of good faith and fair dealing, including claims arising out of the Employment Agreement, sales commission plan or incentive compensation plan applicable to Executive's employment with the Company; and any and all other local, state, and federal law claims arising under statute or common law (collectively, the "Released Claims"). To the extent permitted by law, Executive also promises never directly or indirectly to bring or participate in an action against any Releasees under California Business & Professions Code Section 17200 or any unfair competition law of any jurisdiction. It is agreed that this is a general release and it is to be broadly construed as a release of all claims, provided, however, that Executive is not releasing (i) any claims that cannot be released by law, (ii) Executive's rights as a stockholder of the Company or any of its affiliates, (iii) Executive's rights to the vested benefits (including reimbursement of business expenses) he may have under any employee compensation or benefit plan or program maintained by the Company or any of its affiliates, (iv) any claim arising related to this Agreement (v) any claim arising after the date of execution of this Agreement or (vi) any rights for indemnification or contribution under the certificate of incorporation, by-laws or equivalent governing documents of the Company or its any of affiliates, the law of the State of Washington, any indemnification agreement between Executive and the Company or its any of affiliates or any rights to insurance coverage under any directors' and officers' liability insurance or fiduciary insurance policy.

b. Covenant Not to Sue. Except as expressly set forth in this agreement, Executive further hereby AGREES NOT TO FILE A LAWSUIT or other legal claim or charge to assert against any of the Releasees any claim released by this Agreement.

c. Other Representations and Acknowledgements. This Agreement is intended to and does settle and resolve all claims of any nature that Executive might have against the Company, arising out of their employment relationship or the termination of employment or relating to any other matter, except those that cannot be released by law. By signing this agreement, Company acknowledges that it has or it shall fulfill all its obligations to the Executive. By signing this Agreement, Executive acknowledges that he is doing so knowingly and voluntarily, that he understands that he may be releasing claims he may not know about, and that he is waiving all rights he may have had under any law that is intended to protect him from waiving unknown claims. Executive warrants that he has not filed any notices, claims, complaints, charges, or lawsuits of any kind whatsoever against the Company or any of the Releasees as of the date of execution of this Agreement. This Agreement shall not in any way be construed as an admission by the Company or any of the Releasees of wrongdoing or liability or that Executive has any rights against the Company or any of the Releasees. Executive represents and agrees that he has not transferred or assigned, to any person or entity, any claim that he is releasing in this Paragraph.

5. Protected Rights. Executive understands that nothing contained in this Agreement limits his ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, or any other federal, state or local governmental agency or commission ("Government Agencies"). Executive further understands that this Agreement does not limit his ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agencies in connection with any charge or complaint, whether filed by Executive, on his behalf, or by any other individual. However, based on Executive's release of claims set forth in this Agreement, Executive understands that he is releasing all claims that he may have, as well as, to the extent permitted by applicable law, his right to recover monetary damages or obtain other relief that is personal to Executive in connection with any claim he is releasing under this Agreement.

6. Acknowledgment. **The Company hereby advises Executive to consult with an attorney prior to executing this Agreement and Executive acknowledges and agrees that the Company has advised, and hereby does advise, him or her of his opportunity to consult an attorney or other advisor and has not in any way discouraged him or her from doing so. Executive expressly acknowledges and agrees that he has been offered at least twenty-one (21) days to consider this Agreement before signing it, that he has read this Agreement and Release carefully, that he has had sufficient time and opportunity to consult with an attorney or other advisor of his choosing concerning the execution of this Agreement. Executive acknowledges and agrees that he fully understands that the Agreement is final and binding, that it contains a full release of all claims and potential claims, and that the only promises or representations he has relied upon in signing this Agreement are those specifically contained in the Agreement itself. Executive acknowledges and agrees that he is signing this Agreement voluntarily, with the full intent of releasing the Company from all claims covered by this agreement.**

7. Revocation and Effective Date. The Parties agree Executive may revoke the Agreement at will within seven (7) days after he executes the Agreement by giving written notice of revocation to Company. Such notice must be delivered to the Company and must actually be received at or before the above-referenced seven-day deadline. The Agreement may not be revoked after the expiration of the seven-day deadline. In the event that Executive revokes the Agreement within the revocation period described in this Paragraph, this Agreement shall not be effective or enforceable, and all rights and obligations hereunder shall be void and of no effect. Assuming that Executive does not revoke this Agreement within the revocation period described above, the effective date of this Agreement (the "Effective Date") shall be the eighth (8th) day after the day on which Executive executes this Agreement. If the Company does not fully and timely fulfill all its obligations and payments due to the Executive, including the Severance Benefits, this severance agreement and general release of claims shall become void and non-binding but the Company shall not be released from its obligations to provide the payments and benefits described under Section 7(d), as long as the Parties have complied with the notice periods and procedures under Section 7(e) of the Employment Agreement.

8. Continuing Obligations. The Company and the Executive acknowledge and agree that they each remain bound by the covenants set forth in Sections 6, 7, 8, 9, 10, 13, 16-22, 25, 30 and 33 of the Employment Agreement, which shall survive the execution of this Agreement.

9. Final Agreement. The Parties agree that this Agreement may not be modified except by a written document signed by both Parties. The Parties agree that this Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Washington without giving effect to its conflict of law principles. Any action, suit or other legal proceeding arising under or relating to any provision of this Agreement shall be commenced in the Seattle, Washington or, if appropriate, a federal court located within the Western District of the State of Washington, and the Company and the Executive each consents to the jurisdiction of such a court.

11. Waiver. The failure of either party to enforce any of the provisions of this Agreement shall in no way be construed to be a waiver of any such provision. Any waiver of any provision of this Agreement must be in a writing signed by the party making such waiver. No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach.

12. Code Section 409A. This Agreement shall be interpreted and administered in a manner so that any amount or benefit payable hereunder shall be paid or provided in a manner that is either exempt from or compliant with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and applicable Internal Revenue Service guidance and Treasury Regulations issued thereunder. The tax treatment of the benefits

provided under the Agreement is not warranted or guaranteed to Executive, who is responsible for all taxes assessed on any payments made pursuant to this Agreement, whether under Section 409A of the Code or otherwise. Neither the Company Group nor its directors, officers, employees or advisers shall be held liable for any taxes, interest, penalties or other monetary amounts owed by Executive as a result of the application of Section 409A of the Code. Executive's right to receive any installment payments hereunder shall be treated as a right to receive separate and distinct payments for purposes of Section 409A of the Code. Notwithstanding anything to the contrary, the severance pay and benefits payable under this Agreement shall be subject, if required to avoid an imposition of penalty taxes on the Executive under Section 409A of the Code or any similar state law, to a delay under Section 409A(a)(2)(B).

[Signatures on next page]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first set forth above.

MAWSON INFRASTRUCTURE GROUP, INC.

COMPANY

By: _____
Name:
Title:

EXECUTIVE

_____
Print Name: Rahul Mewawalla

Mawson Infrastructure Group Inc.

May 22, 2023

Via Electronic Mail

Without prejudice until executed

Mr James Manning

1180 Barrenjoey Road
Palm Beach. NSW 2108

Via email: james@manning.com.au

Your Departure Arrangements

Dear James (**You, Your**)

Mawson Infrastructure Group Pty Ltd (ACN 636 458 912) (the **Company**) confirms that your employment will end on the terms set out in this deed.

Background

A. You were employed by the Company pursuant to a maximum term contract dated 20 December 2019 as varied 24 December 2019.

B. You and the Company have had discussions regarding the ongoing management of the Company.

C. The Company has decided the position of Chief Executive Officer will now be performed in the United States.

D. You have declined to relocate to the United States.

E. Your employment will end by redundancy.

F. The board of the Company's sole shareholder, Mawson Infrastructure Group Inc, has resolved that it is proper for the Company to enter into this deed with you, and that it is in the interests of the Company and the wider group of which it is a part to do so.

Agreement

This deed sets out the arrangements regarding your departure.

1. Your last day employed with the Company will be 22 May 2023 (**End Date**).

2. The Company will pay you your base salary (less applicable tax) up to and including 31 May 2023.

Mawson Infrastructure Group Inc.

3. In the first pay run after the End Date, the Company will pay you (less applicable tax):

    1. a payment of any accrued but untaken statutory leave up to and including the End Date;

    2. a payment equivalent to 12 months of your base salary in lieu of your entire notice period and redundancy entitlements as specified in your employment agreement; and

    3. a cash short term incentive for the 2023 financial year, in the amount of $530,000.

4. Restricted Stock Units

    1. In total you hold the following RSU or rights to RSU:

        1. 2021 - 100,000 issued 1 November 2021;

        2. 2021 - 23,800 issued 1 November 2021;

        3. 2022 - 47,176 issued 21 June 2022;

        4. 2023 - 1,290,936 for the year 2023, but not issued;

        Collectively the (**Original Grants**) comprising of 1,461,912 RSUs.

2. The parties acknowledge that:

    1. You claim that you are entitled to 12 months compensation from the End Date, which includes the 2023 and part year 2024 stock grants, RSU and short term incentives.

    2. You and the Company disagree about whether or not the RSU performance conditions have been met and/or whether you are entitled to receive the RSU earlier.

3. The parties agree to cancel all of the Original Grants in full and final settlement of the RSU dispute.

4. The parties agree that you will be granted 1,350,000 RSU with a attainment date of 1 June 2023 on substantially the same form set out in the RSU Agreement dated June 2022, issued within 30 days of this deed (but in any event before attainment).

5. Other Benefits

    1. You will keep the desktop, phone, screens, laptop computers, and associated accessories connected to said devices for both you and your assistant and the Company will release the title of property to you.

    2. You will be granted a licence to use the existing office for a period of 12 months from the End Date.

    Collectively the (**Other Benefits**)

6. You acknowledge that the benefits referred to in this deed are delivered in full satisfaction of all obligations of the Group towards you and are delivered without any admission of liability by the Group.

7. You acknowledge that:

    1. tax will be withheld from the benefits delivered to you in accordance with the terms of this deed; and

    2. the amount of tax withheld may not represent the total tax payable on assessment.

8. The Company makes no representations or warranties in relation to your tax liability.

9. In consideration of the various benefits outlined in this deed you:

    1. unconditionally release and forever discharge (i) the Company, (ii) each member of the Group, and (iii) each other Released Party, from any Claims against the Company, any member of the Group or any other Released Party that you may have now, or may have had in the future if you had not executed this deed, whether you are now aware of such Claims or not; and

    2. will not make, take or bring any Claims against the Company, any member of the Group or any other Released Party, other than any Claims for a breach of the terms of this letter.

10. To the extent permitted by law, the Company unconditionally releases and forever discharges you from any Claims that the Company may have now, or may have had in the future, if the Company had not executed this deed, whether the Company is now aware of such Claims or not, and will not make, take or bring any Claims against you, or both, other than any Claims for a breach of the terms of this deed.

11. For the purposes of this clause, the following terms have the following meanings:

    Claims means all suits, actions, claims, demands, losses, liabilities, costs or expenses arising out of or in connection with your employment with the Company or the termination of that employment, save and except for any claims arising under applicable workers compensation or superannuation legislation;

    Group means the Company and all Related Bodies Corporate of the Company from time to time;

    Related Bodies Corporate has the meaning given to it in section 50 of the Corporations Act 2001 (Cth); and

Mawson
Infrastructure
Group Inc.

    Released Party means each of the Company, the Related Bodies Corporate of the Company from time to time, and all current and former directors, officers, trustees, agents, contractors and employees those entities (jointly and severally).

12. Without limiting your other obligations under this deed, you will, no later than the End Date, return to Tom Hughes all property and all confidential information of the Company or a related body corporate of the Company (together, the **Group**) which is currently in your possession or control (including any laptop or IT equipment except for any items in the Other Benefits provision, fob or swipe keys, or garage entry remote controls).

13. You agree that the provisions of your employment contract dated 20 December 2019 and your variation of employment dated 24 December 2019, that survive its termination will continue to operate in accordance with their terms. In particular, the Company reminds you of your obligations in relation to confidentiality and Company property (under your contract, statute and otherwise at law), including your obligations not to disclose or make use of any of the Company's confidential information.

14. We agree that the terms set out in this deed and the circumstances of this deed are confidential and are not to be disclosed by us to any persons except to our (a) advisers, (b) to enforce this deed, (c) if required or as permitted by law or the rules of a relevant stock exchange, or (e) with your prior express written authority.

15. You agree that the terms set out in this deed and the circumstances of this deed are confidential and are not to be disclosed by you to any persons except (a) to your legal or financial advisors (and only to the extent required), (b) to enforce this deed, (c) to your spouse or de factor partner, (d) if required or permitted by law, or (e) with the prior express written authority of the Company.

16. You will not make a statement or induce anyone else to make a statement (whether written or oral) about the Company, your employment, the termination of your employment, the subject matter of this deed, the Company, any member of the Group, any Released Party or their business, which is likely to injure the Company's, a member of the Group's, a Released Party's or the relevant person's commercial reputation.

17. The Company, each member of the Group and each other Released party will not make a statement or induce anyone else to make a statement (whether written or oral) about you, your employment, the termination of your employment or the subject matter of this deed, which is likely to injure your reputation.

18. The Company, each member of the Group and each other Released Party may plead this deed as a bar to any claim or proceeding by you in respect of any matters arising out of, touching on, referred to or contained in this deed.

19. You agree that you execute this deed for the benefit of the Group, and its officers and employees.

20. You warrant that you have voluntarily signed this deed, and that you have taken, or have had the opportunity to take, legal advice.

21. You acknowledge that this deed states all the express terms of agreement between the parties in respect of its subject matter. It supersedes all prior discussions, negotiations, understandings and agreements in respect of its subject matter.

22. Part or all of any clause of this agreement that is illegal or unenforceable will be severed from this agreement and the remaining provisions of this agreement continue in force.

23. This deed is governed by the laws of New South Wales and the parties submit to the exclusive jurisdiction of the courts of New South Wales.

24. You agree to sign any documents we reasonably require to give effect to this deed.

25. This Deed may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Deed, and all of which, when taken together, will be deemed to constitute one and the same agreement. The facsimile, email or other electronically delivered signatures of the Parties shall be deemed to constitute original signatures, and facsimile or electronic copies hereof shall be deemed to constitute duplicate originals.

Please sign this deed where indicated below, and return to the Company.

[The remainder of this page is intentionally left blank. Signature page follows.]

Mawson
Infrastructure
Group Inc.

Executed as a deed

Signed, sealed and delivered

By Mawson Infrastructure Group Pty Ltd
ACN 636 458 912 *in accordance with s127 of the Corporations Act 2001*

By Mr James Manning

By /s/ James Manning

Name: James Manning
Title: Sole Director

Date: May 22, 2023

/s/ James Manning

Date: May 22, 2023

Mawson Infrastructure Group Inc.

Level 5, 97 Pacific Highway,
North Sydney, Australia 2060

Mawson Infrastructure Group Inc.

Appendix A: Summary of payments

Approximate gross amounts due upon termination date of 22 May 2023.

A payment equivalent to 12 months of your base salary in lieu of your entire notice period.	A$800,000
A payment in respect of any accrued but untaken statutory leave.	A$418,651.63
Superannuation due, but unpaid	A$6,875.00
A payment in respect of the Short Term Incentive.	A$762,919.25
Final gross pay	**A$1,988,445.88**

Mawson Infrastructure Group Inc.

Level 5, 97 Pacific Highway,
North Sydney, Australia 2060

Mawson Infrastructure Group Inc

7/13/2023

William Harrison
777 Bayshore Drive
Apt 1602
Fort Lauderdale, FL 33304
sharrisoniro@gmail.com

Dear Sandy:

I am pleased to offer you a position with Mawson Infrastructure Group, Inc., ("Mawson" or the "Company"), as Chief Financial Officer. This is an exempt salaried and fulltime position. You will be reporting to Rahul Mewawalla, Chief Executive Officer and President. We are enthused about your new role at Mawson and look forward to a beneficial and productive working relationship.

This offer of employment is subject to the terms and conditions set forth in this letter and the attached Exhibit. To be certain that you understand and agree with the terms of your offer and employment, please review this letter carefully. If you are in agreement, please sign and date this letter along with the attached Proprietary Information and Invention Assignment and Arbitration Agreement (hereafter "Exhibit A").

This offer is conditioned upon you presenting to Mawson evidence of your authorization to work in the United States and of your identity sufficient to allow Mawson to complete the Form 1-9 required by law on or before your first day of employment. This offer is also conditioned upon your execution and delivery of Exhibit A. In addition, this offer is conditioned upon a reference check performed by Mawson and/or a third-party provider. The terms and conditions of your at-will offer of employment with Mawson are set forth in this letter, Exhibit A, and Mawson's employment and policies, which may be revised from time-to-time at the Company's discretion.

1. Effective Date: Your start date in your new role will be 7/14/2023.

2. Compensation. Your annual base salary will be $250,000.00 and will be subject to applicable withholdings. You will be paid weekly on the Company's regularly scheduled payroll dates. You may be eligible for a performance bonus up to $125,000.00 at the sole discretion of the company, at the split rate of 50% cash and 50% equity at the sole discretion of the Company. You will also be eligible for RSUs equal to 100% of your annual base salary that shall vest upon your annual anniversary from the Effective Date. The Company has the right to change the composition, targets, and amount of the monthly bonuses and commission arrangement at its discretion. The determination of your commission and/or bonus arrangement, if any, will be in the sole discretion of the Company.

3. Job Duties. Your general job duties and the essential functions of your position with Mawson are as expected of your job title. Company reserves the right to change, modify, and/or revise your job duties, title, and responsibilities, including your essential job duties, at its sole discretion.

4. Work Location. You are being hired as a "remote" employee, meaning you are not assigned to a specific office and will largely be working from home and/or at the client's offices as the business needs dictate. As part of your job duties, you may be required to travel extensively both domestically and internationally. Regardless of where you work, you are expected to devote your full attention during working hours to the Company's business and the performance of your job duties. Additionally, you are expected to maintain and safeguard all of the Company's physical and intellectual property and confidential information, consistent with your obligations as set forth in Exhibit A.

5. Policies. In addition to abiding by Exhibit A, as a condition of your at-will employment, you are expected to fully comply with Mawson's employment policies and procedures as set forth in the Employee Handbook and related documents.

6. Benefits. You will be eligible to participate in any employee benefit plan that the Company has adopted or may adopt, maintain, or contribute to or for the benefit of its employees generally, subject to satisfying the applicable eligibility requirements. your participation will be subject to the terms of the applicable plan documents and generally applicable Company policies. Notwithstanding the foregoing, the Company may modify, amend or terminate any employee benefit plan at any time.

7. At-Will. Your employment with Mawson is at-will, and either you or Mawson may terminate the employment relationship at any time with or without notice for any reason. Further, Mawson can modify the terms and conditions of your employment with or without notice, at any time. No one at Mawson has the authority to modify the at-will nature of your employment except for the Chief Executive Officer of Mawson and any such modification must be in writing signed by both you and the Chief Executive Officer of Mawson.

8. Paid Time Off and Paid Holidays. As a full-time employee, you will accrue 20 days paid time off and 10 days sick paid time off per anniversary year. Additionally, you will also be entitled to 12 paid company holidays.

9. Prior Agreements. This letter along with Exhibit A supersedes any and all prior verbal or written agreements or representations regarding your employment with Mawson. You agree that you are not relying upon any statements made to you outside this letter and Exhibit A in accepting employment with Mawson. Mawson also asks that you disclose to Mawson any and all agreements relating to prior employment that may affect your eligibility to be employed by Mawson or limit the manner in which you may be employed. It is Mawson's understanding that any such agreement/s will not prevent you from performing the duties of your position and you represent that such is the case. Similarly, you agree not to bring any third party confidential or proprietary information to Mawson, including that of a former employer, and that in performing your duties for Mawson you will not in any way utilize any such information.

10. Offer. We hope you will accept this offer by electronically signing this letter and Exhibit A. If you do not accept this offer in writing, the offer will be automatically withdrawn.

We are excited to have you join our team. If you have any questions, please feel free to contact me directly at people@mawsoninc.com

Sincerely,

MAWSON INFRASTRUCTURE GROUP, INC.

By: /s/ Ben Hertel
Name: Ben Hertel
Title: Chief People Officer
Date: **7/13/2023**

I agree and accept the above offer on the terms and conditions described in this letter and attached Proprietary Information and Invention Assignment and Arbitration Agreement

Signature

7/17/2023
Date

Name

Exhibit 10.15

ADDENDUM TO EMPLOYMENT AGREEMENT

THIS ADDENDUM TO THE **EMPLOYMENT AGREEMENT** (the "Agreement") is made as of JULY 19, 2023, by and between Mawson Infrastructure Group, Inc. (the "Company") and Rahul Mewawalla (the "Executive") (together, the "Parties" and each a "Party").

RECITALS

WHEREAS, the Company executed an Employment Agreement with the Executive on May 22, 2023 (the "Employment Agreement"); and

WHEREAS, the Company and the Executive have agreed to incorporate the following addendum as part of that Employment Agreement with immediate effect.

NOW, THEREFORE, the Parties hereto agree as follows:

1. Upon or post an event of a Change of Control of the Company, if the Executive is Terminated by the Company or by the Executive for Good Reason, the Company shall pay the Executive payments and benefits that are twice (2x) the value of all the payment and benefits that would be payable to the Executive as included in Section 7(d) of the Employment Agreement.

2. This Agreement shall be binding upon and inure to the benefit of both Parties and their respective successors and assigns, including any corporation or entity with which or into which the Company may be merged, consolidated, reorganized, succeeded, acquired, sold, disposed, assigned or which may succeed to its substantial assets, business or operations; provided, however, that the obligations of the Executive are personal and shall not be assigned by the Executive.

3. "Good Reason" is defined as per the Employment Agreement.

4. "Change of Control" of the Company is defined as:

(i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended) becomes the "beneficial owner'' (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) any sale, assignment, consolidation, merger, reorganization, assignment, disposition or other business corporation by the Company of all or a substantial portion of all of the Company's assets or of any right to all or a substantial portion of the revenues or income;

(iii) any merger, consolidation, reorganization, or other business combination of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least 50.1% of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation by way of a negotiated purchase, lease, license, exchange, joint venture, tender offer, exchange offer or other means; or

(iv) a change in the composition of the Board occurring within a two (2) year period, as a result of which less than a majority of the directors are Incumbent Directors. "Incumbent Directors" means directors who either (A) are directors of the Company as of the date hereof, or (B) are elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the directors of the Company at the time of such election or nomination (but will not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors to the Company).

4. Effect of Sections 409A of the Code. For purposes of this Agreement, a termination of employment will mean a "separation from service" as defined in Section 409A of the Code, and each amount to be paid or benefit to be provided will be construed as a separate identified payment for purposes of Section 409A of the Code. Notwithstanding anything to the contrary in this Agreement, if the Executive is deemed on the date of termination to be a "specified employee" within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a "separation from service," such payment or benefit shall not be made or provided until the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such "separation from service" of the Executive, and (B) the date of the Executive's death, to the extent required under Section 409A of the Code. Upon the expiration of the foregoing delay period, all payments and benefits delayed pursuant to this Section 15 (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Executive in a lump sum, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein. The determination of whether and when the Executive's separation from service from the Company has occurred shall be made in a manner consistent with, and based on the presumptions set forth in, Treasury Regulation Section 1.409A-l(h). Solely for purposes of this determination, "Company" shall include all persons with whom the Company would be considered a single employer under Section 414(b) and 414(c) of the Code. Neither the Company nor the Executive will have the right to accelerate or defer the delivery of any payments or benefits subject to Section 409A of the Code except to the extent that would not create any additional tax liability to the Executive under Section 409A of the Code. This Agreement is intended to comply with the provisions of Section 409A of the Code and this Agreement shall, to the extent practicable, be construed in accordance therewith. Terms defined in this Agreement will have the meanings given such terms under Section 409A of the Code if and to the extent required to comply with Section 409A of the Code. To the extent that reimbursements or other in-kind benefits under this Agreement constitute "nonqualified deferred compensation" for purposes of Section 409A, (A) all expenses or other reimbursements hereunder shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Executive, (B) any right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (C) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year. In no event whatsoever shall the Company Group or its affiliates be liable for any additional tax, interest or penalty that may be imposed on Executive by Section 409A of the Code or damages for failing to comply with Section 409A of the Code.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first set forth above.

MAWSON INFRASTRUCTURE GROUP, INC. COMPANY

By: /s/ Greg Martin
Name: Greg Martin
Title: Chairman of the Board

EXECUTIVE

/s/ Rahul Mewawalla
Rahul Mewawalla

Exhibit 10.16

Mawson Infrastructure Group Inc.

Mawson Infrastructure Group, Inc.
201 Clark Street
Sharon, PA 16146

Ryan Costello
1900 M Street,
Washington, DC
20036

Via email: ryan@ryancostello.com

[9/25/2023]

RE: Mawson Infrastructure Group, Inc. ("Company")

Dear Ryan,

I am pleased to confirm that following consideration by the Nominating Committee, the Board of Directors of the Company, (the "Board"), has approved the contents of this letter agreement for your appointment as a Non-Executive Director commencing October 2, 2023 subject to you confirming your acceptance of these terms and conditions.

It is understood that you will not be an employee of the Company.

1. **APPOINTMENT**

1.1 Your appointment is subject to the Certificate of Incorporation and By-laws of the Company as is currently in effect and as may be modified or amended from time to time (collectively, the "**Constitution**"). Nothing in this letter will be taken to exclude or vary the terms of the Constitution as it applies to you as a director of the Company. Your continued service as a director is subject to your re-election by the Company's shareholders at the 2024 annual stockholders' meeting and to re-election at any subsequent annual stockholders' meeting at which either the Constitution requires, or the Board resolves, that you stand for re-election.

1.2 Continuation of your service as a director is also contingent on satisfactory performance, as determined by the nominating committee of the Board, and any relevant statutory provisions relating to the removal of a director.

1.3 The nominating committee of the Board may nominate you to serve for successive term(s), in its discretion and subject to your agreement and your re-election at the annual stockholders' meetings in accordance with the Constitution. Notwithstanding any mutual expectation, you have no right to re-nomination by the Board, either annually or after any period of time.

1.4 You may be appointed to serve on one or more committees of the Board. Your appointments are or will be as follows (until the committees or the Board decide otherwise):

Audit Committee	Member
Compensation Committee	Member, Chairman
Nomination and Governance Committee	Member

Mawson Infrastructure Group Inc.

1.5 You agree to comply with the Code of Ethics, as may be amended from time to time, which is available on the Company website.

1.6 The Board may request that you resign from your role as a member of the Board, and you agree to resign, if you:

(a) commit a material breach of your obligations under this letter;

(b) commit any serious or repeated breach or non-observance of your obligations to the Company (which include an obligation not to breach your duties to the Company, whether statutory, fiduciary or common law);

(c) are guilty of any fraud or dishonesty or have acted in a manner which, in the opinion of the Company acting reasonably, brings or is likely to bring you or the Company into disrepute or is materially adverse to the interests of the Company;

(d) are convicted of any criminal offence that results in a material penalty or imprisonment;

(e) are restricted or disqualified from acting as a director of any company;

(f) have been absent for several meetings without permission of the Board from meetings of the directors held during that period and your alternate director (if any) will not have attended any such meeting in your place during such period and all of your co-directors pass a resolution that by reason of such absence you have vacated your office;

(g) are required in writing (whether in electronic form or otherwise) by all your co-directors to resign; or

(h) have not complied with the Company's policies or any material applicable laws.

2. **TIME COMMITMENT**

2.1 You will be expected to spend a sufficient amount of time as may be necessary to adequately prepare for and attend any meetings of the Board and its committees as may be called from time to time. You will be expected to devote such time as is necessary for the proper performance of your duties.

2.2 The nature of the role makes it impossible to be specific about the maximum time commitment, and there is always the possibility of additional time commitment in respect of preparation time and ad hoc matters which may arise from time to time, and particularly when the Company is undergoing a period of increased activity. At certain times it may be necessary to convene additional Board, committee, or shareholder meetings.

3. **FEES AND EXPENSES**

3.1 You will be paid an annual fee of $112,500 (USD) gross (current at the date of this letter) (" **Cash Compensation**") subject to review and change at the discretion of the Company, which shall be paid monthly in arrears. Please accordingly invoice the Company for your monthly director fees.

3.2 In addition, non-employee directors of the Company are entitled to receive an annualized equivalent equity grant of $112,500 (USD) of restricted stock units under the Company's 2023 Equity Incentive Plan which shall be granted pro-rata based on your commencement date and shall vest, be exercisable and deliverable as determined by the Company. Such grant shall be considered during a future regular equity grant meeting as held by the Board.

3.3 Fees will be subject to periodic review by the compensation committee of the Board.

3.4 The Company will reimburse you for all reasonable and properly-documented expenses you incur in performing the duties of your office. The procedure and other guidance in respect of expense claims is set out in the Company's guide relating to expense claims from time to time or, if no such guide is in place, as agreed with the Chairman of the Board.

3.5 Unless otherwise agreed between you and the compensation committee of the Board, on termination of your services as a director you will only be entitled to such fees as may have accrued to the date of termination, together with reimbursement in the normal way of any expenses properly incurred prior to that date.

4. **INDEPENDENCE AND OUTSIDE INTERESTS**

4.1 The Board of the Company has determined you to be independent, taking account of the guidance contained in Nasdaq Rules.

4.2 You acknowledge the importance of avoiding conflicts of interest and the appearance of conflicts of interest. Accordingly, you have disclosed all present or currently existing conflicts and agree to disclose to the Company any future commitments, whether such commitments create potential or actual conflicts of interest or the appearance of any conflicts. In the event that you become aware of any further potential or actual conflicts of interest, these should be disclosed to the Chairman as soon as they become apparent, and the agreement of the Board may have to be sought. You should immediately recuse yourself from decision making on any matter on which there is a conflict.

4.3 You represent to the Company that the performance of your duties as a director of the Company do not and will not violate any agreement or obligation, whether written or not, that you may have with or to any person.

Mawson
Infrastructure
Group Inc.

5. **CONFIDENTIALITY**

5.1 You acknowledge that as a director you will have fiduciary duties to the Company, which include, but are not limited to keeping all information acquired during your appointment confidential and not be releasing, communicating, or disclosing it either during your service or after you stop serving at a director, to third parties without my prior clearance.

5.2 You acknowledge the need to hold and retain Company information (in whatever format you may receive it) under appropriately secure conditions.

5.3 You will notify the Company promptly if you are subpoenaed or otherwise served with legal process in any manner involving the Company.

5.4 In the event of any claim or litigation against the Company, or any officer, employee, or director of the Company, based upon any alleged conduct, acts or omissions, you will cooperate with the Company and provide to the Company such information and documents in your possession or control as are necessary and reasonably requested by the Company or its counsel.

5.5 Nothing in this paragraph will prevent you from disclosing information which you are entitled or required to disclose under any statutory provision, provided that the disclosure is made in accordance with the provisions of such statutory provision.

6. **DEALING IN THE COMPANY'S SHARES, FILINGS**

6.1 You agree to comply with the insider trading policy, as may be amended from time to time, which is available on the Company website.

6.2 You agree to give prior notice to the Company of any trades you intend to make in the Company's stock, and the assist the Company with any necessary filings.

7. **REVIEW PROCESS**

The performance of individual directors and the whole Board and its committees is evaluated annually.

8. **INDEPENDENT PROFESSIONAL ADVICE**

Circumstances may occur when, in the execution of your duties as a director, it will be appropriate for you to seek advice from independent advisers at the Company's expense. With the approval of the Chairman, the Company will reimburse the reasonable cost of expenditure incurred by you in such circumstances in accordance with any policy in effect from time to time.

Copies of this advice would normally be expected to be made available to, and for the benefit of all Board members, unless otherwise agreed by the Chairman.

All directors have direct access to the General Counsel / Corporate Secretary for advice and assistance where appropriate. If you wish to contact a member of the Company's management, the Corporate Secretary is available to facilitate that meeting for you.

9. **CHANGES TO PERSONAL DETAILS**

You will advise the Corporate Secretary promptly of any change in address or other personal contact details.

10. **RETURN OF PROPERTY**

Upon termination of your service as a director of the Company (for whatever cause), you will deliver to the Company or destroy, at the Company's discretion, all documents, records, papers, or other Company property which may be in your possession or under your control, and which relate in any way to the Company's business affairs, and you will not retain any copies thereof.

If you are agreeable to accepting your appointment on the foregoing terms and conditions, I would ask you to sign and return one copy of this letter to me.

Yours sincerely,

/s/ Greg Martin
Greg Martin
Chairman of the Board
Mawson Infrastructure Group, Inc

I confirm and agree to the terms of my appointment as a non-executive director of the Company as set out in this letter.

/s/ Ryan Costello
Ryan Costello
Date: Sep 26, 2023

Exhibit 10.17

SERVICE FRAMEWORK AGREEMENT

THIS AGREEMENT (the "**Agreement**") is made on October 12, 2023 ("**Effective Date**").

BETWEEN:

(1) **Consensus Colocation PA LLC**, a limited liability company incorporated under the laws of the State of Delaware ("**CTG**"); and

(2) **Mawson Hosting LLC**, a limited liability company incorporated under the laws of the state of Delaware, the United States of America ("**Service Provider**").

Each of the parties to this Agreement is referred herein individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS:

(A) Service Provider is the operator of the Data Center Facility (as defined below) and provides Services (as defined below) at the Data Center Facility.

(B) CTG intends to situate the Co-Location Servers (as defined below) at the Data Center Facility and receive Services from Service Provider in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants set forth in this Agreement, the parties agree as follows:

1. DEFINITIONS AND INTERPRETATIONS

1.1. In this Agreement, these expressions have the following meanings:

"**Affiliate**" means, with respect to any Person, any other Person that directly or indirectly Controls, is Controlled by, or is under common Control with such Person.

"**Applicable Law**" means any treaty, law, decree, order, regulation, decision, statute, ordinance, rule, directive, code or other document that has legal force under any system of law, including, without limitation, local law, law of any other state or part thereof or international law, and which creates or purports to create any requirement or rule that may affect, restrict, prohibit or expressly allow the terms of this Agreement or any activity contemplated or carried out under this Agreement.

"**Billing Period**" means the period of approximately one (1) month for which Service Provider issues invoices to CTG for the Services provided by Service Provider during such period, the determination of which shall follow the following principle: (a) the first Billing Period shall commence from 00:00 (UTC) on the Initial Date until 23:59 (UTC) on the last calendar day of the same month, and (b) each of the subsequent Billing Periods shall commence from 00:00 (UTC) on the first calendar day of the month following the previous Billing Period until 23:59 (UTC) on the last calendar day of such month.

"**Business Day**" means a day (other than Saturday, Sunday or public holiday) on which banking institutions in the Relevant Jurisdiction are open generally for business.

"**Co-location Capacity**" shall have the meaning ascribed to it in the applicable Service Order.

"**Co-location Fee(s)**" means the fee for the Services payable by CTG to Service Provider during the applicable Billing Period, which shall be calculated in accordance with Article 3.1.

"**Co-location Fee Rate**" means the rate for the Co-location Fee as set out in the relevant Service Order.

"**Co-location Quantity**" means the agreed quantity of the Co-location Servers in accordance with the applicable Service Order, for which Service Provider shall provide the Co-location Capacity, the details of which shall be initially set forth in paragraph 2 of the applicable Service Order.

"**Co-location Servers**" means the supercomputing servers and ancillary hardware equipment owned by CTG or its designated third party(ies) and co-located at the Data Center Facility pursuant to the applicable Service Order.

"**Control**" means, with respect to any Person, the power or authority, whether exercised or not, to direct the business, management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, provided that, in the case of a Person that is an entity, such power or authority shall conclusively be presumed to exist upon possession of beneficial ownership or power to direct the vote of more than fifty percent (50%) of the votes entitled to be cast at a meeting of the holders of the shares or other equity interests or registered capital of such Person or power to control the composition of a majority of the board of directors or similar governing body of such Person. The terms "**Controlled**" and "**Controlling**" have meanings correlative to the foregoing.

"**Curtailment Program**" means Service Provider's demand response program whereby Service Provider can reduce its power use during certain times and be compensated for doing so by Service Provider's CSP.

"**CSP**" means Service Provider's curtailment service provider.

"**Data Center Facility**" means the data center facility operated by Service Provider, details of which shall be submitted to CTG in the form set

forth in EXHIBIT A of APPENDIX I hereto, where Service Provider provides the Services to CTG pursuant to the applicable Service Order(s).

"**Delayed Compensation**" means the corresponding amount payable by either Party as compensation for its delayed performance in accordance with Articles 3.4(b), 3.4(c) and 3.4(d).

"**Deposit**" means the amount payable by CTG to Service Provider equal to one (1) month of the maximum theoretical amount of the Co-Location Fee for one Billing Period, based on the maximum Co-Location Quantity for the respective batch of the Co-Location Servers, calculated in accordance with the formula set forth in paragraph 3.1 of the applicable Service Order.

"**End-Period Meter Reading**" means the meter reading of the Separate Meter taken at 23:59 (UTC) on the last day of the applicable Billing Period.

"**Fixed Rate**" has the meaning set forth in the Service Order.

"**Fixed Rate Period**" means defined periods of time when the Power Reimbursement fee is set at a fixed rate as set out in the Service Order.

"**Force Majeure**" means in respect of either Party, any event or occurrence whatsoever beyond the reasonable control of that Party, which delays, prevents or hinders that Party from performing any obligation imposed upon that Party under this Agreement, including to the extent such event or occurrence shall delay, prevent or hinder such Party from performing such obligation, war (declared or undeclared), terrorist activities, acts of sabotage, blockade, fire, lightning, acts of god, national strikes, riots, insurrections, civil commotions, quarantine restrictions, epidemics and pandemics, earthquakes, landslides, avalanches, floods, telecommunications or utilities outages, hurricanes, explosions and regulatory and administrative or similar action or delays to take actions of any governmental authority.

"**Index Rate**" has the meaning set forth in the Service Order.

"**Index Rate Period**" means defined periods of time when the Power Reimbursement fee is calculated based on the "all-in" power rate that Service Provider is invoiced by their power provider as set out in the Service Order.

"**Information Memorandum**" means the document captioned as such and attached to the Service Order as Exhibit A.

"**Initial Date**" means the date on which the Co-location Servers under the Service Order, or the first batch of Co-location Servers if there are more than one batch under the Service Order, are powered-on for normal co-location and operation.

"**Inventory Assets**" means any asset stored or kept by CTG at the Data Center Facility other than the Co-location Servers, but which is reasonably necessary to operate or maintain the Co-location Servers. Inventory Assets which may include, without limitation, servers or hardware equipment that are damaged, defective, malfunctioning or not operating, servers or hardware equipment that are returned for maintenance and repair, servers or hardware equipment that are backup to the Co-location Servers, the spare parts and components for the maintenance and repair of the Co-location Servers, and the packaging materials for the Co-location Servers.

"**kWh**" means kilowatt hours of power.

"**Low Power Mode**" means a special operation mode unique to the specific Co-location Server in which such Co-location Server consumes less electrical power than its Rated Power.

"**Minimum Co-location Fee**" means the minimum Co-location Fee payable by CTG per month as set forth in the relevant Service Order.

"**Minimum Strike Price**" means the lowest strike price that CTG can instruct Service Provider to implement under Article 5, and as further set out in the Service Order.

"MDC Infrastructure" means the equipment utilized by the Service Provider to operate the Co-location Servers, including without limitation the exhaust fans, switches, lights, and CCTV.

"**Minimum Power Commitment**" means the commitment of power consumption of Service Provider pursuant to the applicable Power Purchase Agreement, the failure to utilize electrical power under which, or the failure to make payment of which regardless of the actual utilization, will constitute a breach of contract under such Power Purchase Agreement. The specific amount of the Minimum Power Commitment shall be set forth in the applicable Information Memorandum of Data Center Facility.

"**Monitoring Software**" means the software designated by the Parties to monitor the operation of the Co-location Servers, which shall be AntSentry (version V2 or such other version as may be upgraded by CTG from time to time) unless otherwise mutually agreed between the Parties in the applicable Service Order.

"**Monthly Theoretical Co-location Fee**" means the theoretical amount of the Co-location Fee for one (1) month, which shall be calculated in accordance with the following formula:

Monthly Theoretical Co-location Fee = ∑ Rated Power of Each Co-location Server Powered-On (kW) × Co-location Fee Rate × 24 × 31.

"**Online Status**" means the status of a Co-location Server that is powered-on with constant supply of electrical power, has stable connection with network and is accessible via the Monitoring Software where the status tag "Online" is indicated for such Co-location Server.

"**Online Status Ratio**" means a fraction where the numerator is the sum of the actual length of time measured in hours of each Co-location Server in Online Status during the applicable Billing Period, and the denominator is the product of the Co-location Quantity of Co- location Servers and the theoretical length of time measured in hours of each Co-location Server in Online Status during the applicable Billing Period ("**Theoretical Online Hours**"). Theoretical Online Hours will exclude scheduled maintenance mutually agreed by the Parties in writing or which the Service Provider reasonably believes is required to maintain the performance and security of the Data Center Facility or part thereof, any period during which Service Provider is required to curtail power use by government or any competent authority, downtime caused by Force Majeure Events,

downtime caused by CTG's breach of this Agreement, downtime due to CTG's request to voluntary power off the Co-location Servers, downtime caused by defects in CTG's Co-location Servers, and downtime caused by inappropriate act or omission in relation to the operation of the Co-location Servers by CTG Personnel. The Online Status Ratio shall finally be determined by the data as illustrated on the Monitoring Software, except that if there is a technical failure (including, but not limited to, technical failure of the Monitoring Software and/or the Co-location Servers, or offline of the Next Unit of Computing, etc.) that prevents from reading certain data, the aforementioned numerator and denominator shall be adjusted accordingly to subtract such time during which the relevant data cannot be read due to such technical failure, unless otherwise agreed by the Parties. For the avoidance of doubt, calculation of Online Status Ratio shall not be adjusted for any technical failures under Article 6.11.

"**Permitted Disputed Items**" has the meaning ascribed to such term in Article 3.6(b)(iii).

"**Person**" means any individual, corporation, partnership, limited partnership, proprietorship, association, limited liability company, firm, trust, estate or other enterprise or entity (whether or not having separate legal personality).

"**Power Consumption**" means the amount of electrical power consumed in connection with the operation of the Co-location Servers during the applicable Billing Period, which shall be determined by subtracting the End-Period Meter Reading of the Billing Period immediately preceding the relevant Billing Period from the End-Period Meter Reading of the relevant Billing Period, the unit of which shall be kWh.

"**Power Purchase Agreement**" means the power purchase agreement, or other similar agreement for procurement of electrical power for the Data Center Facility, entered into between Service Provider, or its Affiliate, and the relevant power supplier of the Data Center Facility.

"**Power Reimbursement**" means the all-inclusive power purchase fee to be paid by CTG for power used in connection with the Co-location Servers and associated MDC Infrastructure, which has been invoiced to Service Provider under the Power Purchase Agreement, and then passed through to CTG under this Agreement, charged as a per centage of total power usage at the Data Center Facility.

"Quarter" means each of the three-month periods ending on March 31, June 30, September 30 and December 31.

"**Rated Power**" means the amount of the rated electrical power stated on the factory label of the applicable Co-location Server.

"**Reconciliation Statement**" means the statement issued by Service Provider to CTG every Billing Period for reconciliation between the Parties, which shall set out details including but not limited to Power Consumption, the Online Status Ratio, Power Reimbursement fees, Co-location Fees chargeable, any occurrence of interruption or suspension of any Service during such Billing Period, the form of which is set out in APPENDIX II hereto. Service Provider may satisfy the requirements of the Reconciliation Statement in more than one document.

"**Relevant Jurisdiction**" means the State of Delaware of the United States of America.

"**Separate Meter**" means the separate meter installed by Service Provider at the Data Center Facility for metering the electrical power consumed in the operation of the Co- location Servers and MDC Infrastructure, located as set forth in the Information Memorandum.

"**Service**" means the co-location service(s) provided by Service Provider to CTG pursuant to this Agreement subject to the actual service(s) agreed between the Parties in the applicable Service Order. For the avoidance of doubt, the Parties agree and acknowledge that the Service does not include any maintenance of Co-location Servers.

"**Service Order(s)**" means the Service Order(s) executed by the Parties in the form set out in APPENDIX I hereto, as amended from time to time in accordance with this Agreement.

"**Service Provider Equipment**" means all equipment at the Data Center Facility that is owned by the Service Provider including but not limited to modular data centers, transformers, breakers, switches, pads, fans, heat deflectors, CCTV, fences and other security related items, racking, cabling, servers, tools, vehicles and other property and equipment, but does not include the Co-location Servers or the Inventory Assets.

1.2. In this Agreement, unless otherwise specified:

(i) words importing the singular include the plural and vice versa where the context so requires;

(ii) the headings in this Agreement are for convenience only and shall not be taken into consideration in the interpretation or construction of this Agreement;

(iii) references to Articles and Appendix(es) are references to the articles and appendix(es) of this Agreement;

(iv) references to days, dates and times are to the days, dates and times of the Relevant Jurisdiction, unless otherwise indicated;

(v) any reference to a code, law, statute, statutory provision, statutory instrument, order, regulation or other instrument of similar effect shall include any re-enactment or amendment thereof for the time being in force;

(vi) understanding and interpretation of this Agreement shall be based on the purpose of this Agreement and the original meaning of the context and prevailing understanding and practice in the industry, and provisions of this Agreement and relevant Appendix(es) shall be understood and interpreted as a whole; and

(vii) "**$**", "**US$**", "**US dollar**", "**US dollars**", "**dollar**" and "**dollars**" denote lawful currency of the United States of America.

2. SCOPE OF SERVICES

Subject to the terms and conditions of this Agreement, Service Provider shall provide to CTG, and CTG shall receive from Service Provider, the Services agreed in each of the applicable Service Orders.

3. CO-LOCATION FEE AND PAYMENT

3.1. Co-location Fee Calculation. The Co-location Fee for each Billing Period shall be calculated as follows:

Co-location Fee = Power Consumption × Co-location Fee Rate

3.2. Reserved

3.3. Other Fees. Other fees set forth in the applicable Service Order shall be paid in accordance with such Service Order. Fees charged on a pay-per-use basis and not set out in the Service Order may only be incurred after prior written approval of CTG.

3.4. Deposit.

(a) Payment of Deposit. CTG shall pay to Service Provider the Deposit in accordance with paragraph 3.1 of such Service Order on or before the seventh (7^{th}) Business Days from the effective date of such Service Order.

(b) Delayed Compensation. The amount of the Delayed Compensation shall be calculated as follows:

Delayed Compensation = ∑ Rated Power of each delayed Co-location Server (kW) × US$0.01 × Number of delayed hours (any fractional delay of an hour shall be rounded up to next hour)

(c) Delay in Delivery of Co-location Servers. CTG will deliver the respective batch of Co-location Servers to the Data Center Facility. Except as otherwise agreed by both Parties, in the event that CTG fails to deliver the respective batch of Co-location Servers to the Data Center Facility on or before (x) the Initial Date, or (y) the estimated arrival date for the respective batch of Co-location Servers as set forth in paragraph 2.2 of the applicable Service Order, whichever is later:

(i) Service Provider shall be entitled to deduct from the Deposit the corresponding Delayed Compensation in accordance with the corresponding number of hours and number of Co-location Servers delayed; and

(ii) if CTG fails to remedy such delay within thirty (30) calendar days, Service Provider shall be entitled to terminate this Agreement by notice with immediate effect. Service Provider shall unconditionally remit the difference between the Deposit which has been paid by CTG and the deducted Delayed Compensation to CTG within three (3) Business Days from the termination of this Agreement, unless otherwise stipulated in the Agreement.

(d) Delay in Power-On of Co-location Servers.

(i) Except as otherwise agreed by both Parties, Service Provider shall, to the satisfaction of CTG, connect (1) the Data Center Facility to electrical power, and (2) enable the Data Center Facility to reach its standard operational conditions for the respective batch of Co-location Servers within ten (10) days of delivery of the relevant batch to Service Provider ("Installation Period"). The Installation Period will be extended day-for-day when weather conditions at the Data Center Facility do not allow for installation to occur.

(ii) In the event that either of the conditions set forth in Article 3.4(d)(i) fails to be satisfied on time, Service Provider shall be liable to pay to CTG the corresponding Delayed Compensation in accordance with the corresponding number of hours and number of Co-location Servers delayed.

(iii) In the event that either of the conditions set forth in Article 3.4(d)(i) fails to be satisfied for more than thirty (30) calendar days, CTG shall be entitled to terminate this Agreement by notice with immediate effect. Service Provider shall unconditionally remit to CTG the Deposit that has been paid by CTG in full and all Delayed Compensation within seven (7) Business Days from the termination of this Agreement, unless otherwise stipulated in the Agreement.

(e) Unless otherwise stipulated in the Agreement, the Deposit that has been paid by CTG and not yet returned shall be returned to CTG in full unconditionally within seven (7) Business Days from the expiration or termination of this Agreement after deducting any fees or reimbursement payable under this Agreement to Service Provider or compensation as follows, regardless of whether any disputes have occurred during the performance of this Agreement:

(i) In the event the Co-location Servers have connected to electrical power fully or partially, Service Provider shall refund the remaining portion of the Deposit after deducting any payable and undisputed outstanding fees or reimbursement payable under this Agreement and any amount of applicable Delayed Compensation (if any), less the disputed amounts;

(ii) In the event the Co-location Servers have not connected to electrical power, Service Provider shall refund the remaining portion of the Deposit after deducting any amount of applicable Delayed Compensation due to Service Provider (if any).

3.5. Power Reimbursement. Prepayments of Power Reimbursement fees shall be made by CTG to Service Provider as follows:

(a) Prepayment. CTG shall pay a prepayment to Service Provider (the " **Prepayment**") ten (10) Business Days prior to the estimated power-on date for each batch of Co-location Servers as calculated and set forth in paragraph 4 of the applicable Service Order.

(b) Return of Prepayment. Each Prepayment shall be used to offset the finally determined Power Reimbursement of the corresponding batch of Co-location Servers for the first Billing Period and the subsequent Billing Periods (if there is any Balance) in accordance with Article 3.6. If there is any unused Prepayment at the expiration or termination of this Agreement, Service Provider shall unconditionally return such unused Prepayment in full to CTG within seven (7) Business Days from the termination or expiration of this Agreement, or once Service Provider has received a payment, set-off, credit or other value from its power supplier (whichever is later), regardless of whether any disputes have occurred during the Term of this Agreement unless outstanding invoices for Power Reimbursement are unsettled.

3.6. Invoice, Payment and Settlement Mechanism.

(a) Invoice. Service Provider shall issue the invoice of the Co-location Fee, Power Reimbursement and any other fees for the previous Billing Period to CTG within five (5) Business Days from the end of such Billing Period, with (i) the Reconciliation Statement for such Billing Period; and (ii) the supporting documents for the Power Consumption for the Billing Period (including, but not limited to, photos of the Separate Meter showing the Power Consumption at the end of such Billing Period, and the rate of power for the period. During Index Rate Periods a breakdown of hourly power costs incurred will be provided as support by Service Provider.

(b) Revision Against Objection and Payment. CTG shall be entitled to raise to Service Provider any objection to an invoice (including its attachments) issued by Service Provider in accordance with Article 3.6(a) by written notice to Service Provider within seven (7) days upon receipt of such invoice:

(i) Except as otherwise agreed by both Parties, in the event that CTG raises no objection to an invoice or its attachments within the aforementioned period, it shall be deemed that CTG has approved the invoice and CTG shall pay to Service Provider the full amount of the invoice within seven (7) days after CTG's receipt of the invoice, subject to the Settlement Mechanism in accordance with Article 3.6(c).

(ii) In the event that CTG raises any objection to an invoice and/or its attachments within the aforementioned period, CTG shall nevertheless pay the Power Reimbursement, unless CTG reasonably objects in good faith to the calculation of the Power Reimbursement or Service Provider has not provided the required supporting documentation pursuant to Article 3.6(a). The Parties shall diligently and expeditiously cooperate to resolve the discrepancies based on the factors in disputes, such as, without limitation, Power Consumption, and Index Rate within seven (7) Business Days upon CTG's raising of objection (the "**Confirmation Period**"). Should the Parties successfully resolve the dispute within Confirmation Period, as extended by mutual agreement of both Parties (such agreed amount, the "**Confirmed Fees**"), CTG shall pay the Service Provider the Confirmed Fees within seven (7) Business Days after the agreement to the Confirmed Fees provided that Service Provider has issued an updated invoice to CTG in an amount equal to such Confirmed Fees (if any of the Confirmed Fees differs from the corresponding fees shown in the original invoice).

(iii) In the event that the Parties are unable to resolve any objection to an invoice in accordance with Article 3.6(b)(ii) (such disputed invoice, the "**Disputed Fee**"), the Parties shall promptly refer the Disputed Fee along with all items and calculations therein to an impartial nationally recognized firm of independent chartered professional accountants appointed by mutual agreement of CTG and the Service Provider (the "**Independent Accountant**"). The Independent Accountant shall be directed to render a written report on the Disputed Fee by confirming the calculations of the Power Consumption, actual Co-location Fee, and Delayed Compensation (collectively, the "**Permitted Disputed Items**") as promptly as practicable but in no event greater than **thirty (30)** days after such submission to the Independent Accountant, and to resolve only those unresolved disputed items set forth in the objection of CTG provided under Article 3.6(b)(ii) in accordance with the terms of this Agreement. If a Disputed Fee involves the resolution of any disputed items other than the Permitted Disputed Items, then such Disputed Fee shall not be eligible for resolution by the Independent Accountant and shall be resolved using the dispute resolution provisions within Article 16.4 hereof. If a Disputed Fee is submitted to the Independent Accountant, the Service Provider shall grant the Independent Accountant reasonable access, during regular business hours and on reasonable advance notice, to the Service Provider's books and records, personnel and facilities, and the Service Provider and CTG shall each furnish to the Independent Accountant such work papers, schedules and other documents and information relating to the unresolved disputed items as the Independent Accountant may reasonably request. The Independent Accountant shall resolve the disputed items acting as an expert and not as an arbitrator based solely on the applicable definitions and other terms in this Agreement. The resolution of the disputed items and final determination of the Disputed Fee by the Independent Accountant shall be within the range of values assigned to each such item submitted by CTG and the Service Provider and shall be final and binding on the Parties hereto absent manifest error. The fees and expenses of the Independent Accountant shall be borne by CTG on the one hand and the Service Provider on the other hand, in proportion to the amounts by which their respective calculations of the Disputed Fee differ from the Fee as finally determined by the Independent Accountant.

For avoidance of doubt, the Parties agree that Service Provider shall not suspend provision of Services or terminate this Agreement or any Service Order for failure of CTG to make payment of a Disputed Fee before the Disputed Fee has been finally determined and due in accordance with this Article 3.6(b). If CTG fails to make payment when the Disputed Fee has been finally determined and due within seven (7) calendar days of the date the Independent Accountant provided its final determination, Service Provider shall be entitled to suspend its performance under or terminate this Agreement by notice with immediate effect.

(c) Settlement Mechanism. The Co-location Fee and Power Reimbursement fee for each Billing Period shall be settled in accordance with the following mechanism:

For the First Billing Period:

(i) if the amount of the invoice equals to the Prepayment provided in accordance with Article 3.5, the invoice shall be deemed as fully settled on the date of the invoice;

(ii) if the amount of the invoice is less than the Prepayment provided in accordance with Article 3.5, the invoice shall be deemed as fully settled on the date of the invoice and the portion of the difference between the Prepayment and the invoice (the "**Balance**") shall be used to offset the Prepayment in the subsequent period(s); and

(iii) if the amount of the invoice is more than the Prepayment provided in accordance with Article 3.5, CTG shall pay to Service Provider the difference between the Prepayment and the amount in the invoice on or before the invoice is due in accordance with Article 3.6(b) and the invoice shall be deemed as fully settled upon CTG's payment of such difference.

For the Subsequent Billing Periods:

(i) CTG shall pay the amount of the invoice after deducting the Balance (if any) on or before the invoice is due in accordance with Article 3.6(b) and top up the amounts paid to Service Provider as a Prepayment for the following periods, as set out in the Service Order.

3.7. Confirmation of Co-location Servers Security . Notwithstanding the foregoing, Service Provider shall issue a Confirmation of Co-location Servers' Security (in the form as attached in APPENDIX III hereto) of providing Co-location Servers' latest information and the current business operation of Service Provider within not more than five (5) Business Days before the due date of each of CTG's payments hereunder, otherwise CTG is entitled to postpone any payments until such confirmation is provided.

3.8. Payment Method of Co-location Fee. All payment of Co-location Fee pursuant to this Agreement, including any remittance or refund of Co-location Fee, shall be made in accordance with paragraph 4.2 of the applicable Service Order.

3.9. Suspension. Service Provider may suspend the provision of Services under this Agreement if any undisputed Power Reimbursement has not been paid when due and payable, or other fees remain unpaid for longer than 10 days, unless those fees are the subject of a bona fide dispute pursuant to Article 3.6; provided that, prior to any such suspension Service Provider will provide CTG with written notice of suspension and an opportunity to cure at least five days' prior to any such suspension. A notice of dispute received after such notice shall not be considered to cure for purpose of suspension. After suspension, Service Provider must immediately reinstate the Services once all outstanding fees have been paid. If a suspension lasts longer than 30 days, the Service Provider may terminate this Agreement.

3.10. Increased Cost. If there are any increases, changes in, or introduction or administration of, any taxes, levies, tariffs, utility cost increase, governmental fees or charges with respect to the provision of Services or the operation of the Data Center Facility, Service Provider shall pass through half of any of such amounts to CTG. The Parties shall solely apply Article 6.11(c) or other applicable provisions under this Agreement to adjust the Co-location Fee except for power costs incurred during Index Rate Periods.

3.11. Set-off. Each Party may set-off and deduct any amounts payable under this Agreement to the other Party against any amounts owing by the other Party to the first Party pursuant to this Agreement, including any credits owed by one Party to the other, or the Deposit. If the Deposit falls below its original amount for any reason, CTG must deposit new amounts with Service Provider within 7 days of receipt of notice from Service Provider.

4. REPRESENTATIONS AND WARRANTIES

4.1. Each of the Parties hereby makes the following representations and warranties to the other Party:

(a) It has the full power and authority to own its assets and carry on its businesses.

(b) The obligations expressed to be assumed by it under this Agreement are legal, valid, binding and enforceable obligations.

(c) It has the power to enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of, this Agreement and the transactions contemplated by this Agreement.

(d) The entry into and performance by it of, and the transactions contemplated by, this Agreement do not and will not conflict with:

(i) any Applicable Law;

(ii) its constitutional documents; or

(iii) any agreement or instrument binding upon it or any of its assets.

(e) All authorizations required or desirable:

(i) to enable it to lawfully enter into, exercise its rights under and comply with its obligations under this Agreement;

(ii) to ensure that those obligations are legal, valid, binding and enforceable; and

(iii) to make this Agreement admissible in evidence in its jurisdiction of organization,

have been, or will have been by the time, obtained or effected and are, or will by the appropriate time be, in full force and effect.

(f) It is not aware of any circumstances which are likely to lead to:

(i) any authorization obtained or effected not remaining in full force and effect;

(ii) any authorization not being obtained, renewed or effected when required or desirable; or

(iii) any authorization being subject to a condition or requirement which it does not reasonably expect to satisfy or the compliance with which has or could reasonably be expected to have a material adverse effect.

4.2. Service Provider hereby makes the following representations and warranties to CTG:

(a) RESERVED

(b) The Services shall meet the specifications as stipulated herein (including but not limited to provisions of Article 6).

(c) Service Provider represents and warrants that the entry into and performance by it of, and the transactions contemplated by, this Agreement does not conflict with the lease agreement between itself and the relevant landlord in connection with the Data Center Facility. The Service Provider further represents and warrants that this Agreement is permitted under the use of the related premises. CTG shall not in any event be liable for any obligations to the landlord of the Data Center Facility (the "**Landlord**"), including but not limited to rental or any other fees payable by the Service Provider to the Landlord.

(d) Other than as expressly stated otherwise in this Agreement, nothing in this Agreement transfers any rights, title and interest in the Co-location Servers shall remain absolutely with CTG or the owner of the Co-location Servers, and the Co- location Servers shall be identifiable and separate from the Service Provider's own assets. CTG must affix unique identifiers to all assets prior to delivery. For the avoidance of doubt, any claim over the Service Provider in an event of default relating to the Service Provider shall exclude the Co-location Servers.

4.3. CTG hereby makes the following representations and warranties to Service Provider:

(a) CTG must use the Co-location Servers at the Data Center Facility solely for cryptocurrency mining operations.

(b) CTG must secure and comply with all licenses as are required to operate any software and firmware installed by or accessed on the Co-location Servers.

5. VOLUNTARY POWER-OFF AND LOW POWER MODE

5.1. CTG shall be entitled to voluntarily instruct Service Provider to power off any or all of the Co-location Servers in CTG's sole discretion or to instruct the Service Provider to have the Co-location Servers operate in Low Power Mode to reduce the Co-location Servers' power consumption. CTG will provide a minimum of 2 hours notice of a planned material change in power load and will reimburse Service Provider for any costs, expenses, or charges associated with shutting off load with less than 24 hours notice.

5.2. Any Power-off Server may remain on rack at the Data Center Facility for a period of fourteen (14) calendar days (exclusive of the first day on which such Power-off Server is powered off, the "**Voluntary Power-off Period**"), during which period CTG shall be entitled to re-power on such Co-location Server in its sole discretion with 2 hours notice to Service Provider. At the expiration of the Voluntary Power-off Period, the Parties shall negotiate in good faith to mitigate losses to the utmost extent. If the Voluntary Power-off Period exceeds 30 days, Service Provider may terminate this Agreement.

5.3. CTG's right to operate in Low Power Mode is subject to the limits set out in the Service Order.

5.4. In any Billing Period where the Co-location Fee is less than the Minimum Co-location Fee, CTG shall pay the Minimum Co-location Fee for that Billing Period.

5.5. When CTG voluntarily powers-off, and Service Provider receives payments from its CSP for participating in the Curtailment Programs:

a) CTG will receive 75% of the revenue Service Provider receives from the CSP net of all fees, commissions, and other charges for the reduction of power utilized by the Co- location Servers and the MDC Infrastructure at the time of curtailment ("**CTG Curtailment Revenue**").

b) CTG acknowledges and agrees that the Service Provider is required to curtail for up to 250 hours annually for the purpose of transmission and distribution charge cost avoidance, occurring at varying amounts per month as determined by the CSP provider, and CTG acknowledges and agrees that neither Service Provider nor CTG will receive revenue for such curtailment periods.

c) Revenue earned from the CSP from CTG electing to curtail will be applied to the monthly invoice in the month that Service Provider receives the Curtailment Program revenue.

d) If CTG Curtailment Revenue exceeds the total amount of the invoice for any individual month, then that excess will be split 50/50 between the Parties, and CTG's share of that excess amount shall be carried over to subsequent month(s).

5.6. Service Provider need not comply with any voluntary power-off or curtailment instructions (including low power mode) where (i) Service Provider is specifically prohibited from doing so under all Applicable Laws, including the customer baseline load requirements as set out in section 3.3A.2 of the PJM Manual; (ii) such instruction(s) is ambiguous, inconsistent, contradictory, impossible, or impractical to follow, (iii) such instruction would create material risks to safety of persons at, or physical preservation of, the Data Center Facility or other assets such as transformers, switchgear, fuses, or breakers, or other assets or property at the Data Center Facility, or (iv) such instruction would impose a material extra cost on Service Provider. In such cases, Service Provider shall provide written notice to CTG specifying the reason(s) it has not complied with such instruction and the parties shall promptly and in good faith negotiate amendment(s) to the instruction. Once agreed Service Provider will promptly implement the instruction(s).

5.7. CTG shall not, as part of providing Service Provider an instruction under this Article 5, provide a strike price equal to or less than the Minimum Strike Price, unless otherwise agreed by the parties in writing.

6. OPERATION ENVIRONMENT OF DATA CENTER FACILITY

6.1. Conditions of the Data Center Facility. No later than the Initial Date and at all times up to and until the termination of this Agreement, Service Provider shall provide CTG with sufficient server rooms or containers, server positions, racks, power load and facilities, broadband network and network facilities, heat dissipation facilities, sand, rain and snow- proofing facilities, temperature and humidity monitoring and sensing equipment, security monitoring and other equipment reasonably required for the normal operation of the Co- location Servers of the reasonable commercial standard, satisfying at least the following requirements:

(a) There shall be at least two operators' dedicated network line access, network bandwidth configuration of 100Mbps per 10,000 miners, and network latency of no more than 100ms (based on the ping value from the Co-location Servers' intranet IP to ANTPOOL);

(b) The measurement range of the temperature and humidity monitoring and sensing equipment shall cover -30℃ to 60℃. Temperature and humidity monitoring and sensing equipment may be wired transmission equipment or wireless transmission equipment, for the convenience of operation and maintenance real-time monitoring;

(c) The power load provided by Service Provider shall satisfy the requirements of this Agreement, the Service Orders and standard operational conditions. In the event that the power load is insufficient for any reason (including but not limited to damage to power supply equipment, insufficient supply from the power supplier, or policy changes at the location of the Data Center Facility) for a period of 14 days or more, CTG may provide written notice to Service Provider to remedy the issue. If Service Provider fails to remedy the issue within 14 days, CTG shall be entitled to proportionately reduce the Co-location Quantity of the Co-location Servers at its sole discretion, and Service Provider shall (i) unconditionally cooperate with CTG to move the de-racked Co-location Servers due to insufficient power load designated by CTG out of the server room, and (ii) adjust the amount of the Deposit in accordance with the reduced Co-location Quantity and return the difference between the pre-adjustment Deposit and the post-adjustment Deposit in full to CTG within three (3) Business Days from reduction of the Co-location Quantity. If CTG reduces the Co-Location Quantity under this Article, CTG may only then increase the Co-location Quantity with the written consent of Service Provider; and

(d) There shall be sufficient forklifts, lift trucks and other related machinery and equipment to provide timely racking and de-racking services for the Co-location Servers

6.2. Exclusive Server Room. Service Provider shall provide exclusive containers or server room(s) for the operation of the Co-location Servers, which shall be physically separated from containers or server rooms at the Data Center Facility for use by other customers of Service Provider. No server and/or other hardware equipment other than the Co-location Servers may be allowed in such exclusive containers or server room(s) unless with prior written approval of CTG. Service Provider shall take necessary measures satisfactory to CTG to separate the Co-location Servers from other servers and/or hardware equipment, including but not limited to labeling the Co-location Servers. Besides, Service Provider shall provide room, network and power supply for the Monitoring Software, separate from the Co-location Servers.

6.3. Standard Co-location Environment. Service Provider shall maintain the standard co- location environment for the Co-location Servers in accordance with the conditions set forth in the applicable Service Order and the Information Memorandum.

6.4. Title and Ownership. As at the date of this Agreement, Service Provider warrants and represents that it, or an Affiliate, has good title to, or right by license, lease or other agreement to use, the Data Center Facility, and there is no actual, pending or threatened dispute or other claim as to title and ownership of the Data Center Facility, other than as disclosed to CTG.

6.5. Safety and Security. Server Provider shall take standard industry efforts to ensure safety and security of the Data Center Facility and the Co-location Servers against any safety accidents such as damage, loss or fire outbreak, etc. or any faults caused by dust ingress, water ingress or snow ingress, etc, including maintaining Service Provider Equipment to a reasonable standard.

6.6. Compliance with Applicable Law. Service Provider shall ensure that the operation of the Data Center Facility, the individuals of Service Provider and provision of Services is at all times in compliance with Applicable Laws and that any and all applicable approvals, certificates, orders, authorizations, permits, qualifications and consents required for the operation of the Data Center Facility and provision of Services have been obtained no later than the Initial Date and are not revoked, cancelled or expired (unless properly renewed on or prior to such expiration) up to and until the termination of this Agreement. The Parties recognize that it is Service Provider's sole and exclusive responsibility to maintain a safe and healthy work environment at the Data Center Facility that is free from recognized hazards and fully complies with the Applicable Laws, including without limitation, the federal Occupational Safety and Health Act ("**OSHA**", if applicable), as well as any similar state or local laws. Accordingly, Service Provider promises and hereby covenants to maintain a safe and healthy work environment at the work places including but not limited to the Data Center Facility and the necessary onsite production facilities including office rooms, maintenance rooms, canteen, and toilets, that is free from recognized hazards and fully compliant with OSHA (if applicable), and any similar state or local laws, to ensure the safety of CTG Personal (as defined below) during their work. Besides, Service Provider shall organize necessary safety training and safety drills for CTG Personal at least as regularly as its own personnel.

6.7. 24/7 Access by CTG Personnel. If there is no other specific agreement, CTG or the third party designated by CTG (collectively, the " **O&M Service Provider**") shall be responsible for the maintenance of the Co-location Servers. The O&M Service Provider may appoint one or more individuals ("**CTG Personnel**") that are pre-approved and registered with the Service Provider to carry out maintenance activities on the Co-location Servers onsite at the Data Center Facility on a 24-hour per day, 7-day per week basis. Service Provider may revoke its approval for any CTG Personnel who fails to comply with the Service Provider's reasonable directions, policies or procedures, has violated Applicable Laws, or unreasonably interferes with Service Provider's business or operations at the Data Center Facility, or works in an unsafe manner. If Service Provider revokes access for any CTG Personnel, and CTG is unable to replace those persons in a reasonable time period, CTG will have the right to consult with Service Provider to demonstrate to Service Provider that the CTG Personnel have been coached, counselled and/or provided with appropriate training. Service Provider may agree to approve access for such CTG Personnel based on the consultation. Service Provider shall provide all necessary support and cooperation for the maintenance of the Co-location Servers by CTG Personnel, including but not limited to:

(a) allow CTG Personnel to enter into those parts of the Data Center Facility designated by Service Provider as relevant to this Agreement (the "CTG Areas");

(b) obtain the operational data of the Co-location Servers;

(c) inspect the operational conditions of the CTG Areas;

(d) perform maintenance on the Co-location Servers;

(e) handle or repair any Co-location Servers that may be damaged, defective, malfunctioning or not operating; and

(f) check, examine and conduct inventory audits of the Co-location Servers and Inventory Assets.

6.8. Test Site. Service Provider shall provide CTG Personnel with proper test site for maintenance of the Co-location Servers that meets the safety and security requirements. The test site shall provide 220V power supply and necessary network access, and shall have no less than 5 power outlets and 5 network interfaces unless otherwise required by CTG Personnel and agreed by Service Provider.

6.9. Responsibility for CTG Personnel. CTG Personnel will remain the sole responsibility of CTG, and will not be deemed to be employees or contractors of Service Provider. CTG shall remain responsible for any acts or omissions of CTG Personnel while they are at the Data Center Facility. CTG will be responsible to ensure that all required employment benefits are provided to employees, including but not limited to, retirement plans, health insurance, vacation time-off, sick pay, personal leave, pay, and that all necessary insurances are maintained.

6.10. Service Provider Directions. CTG must ensure that and will instruct CTG Personnel to follow any reasonable directions of Service Provider, including but not limited to, under any workplace or safety laws or policies. CTG must ensure that and will instruct CTG Personnel to not access, use or interfere with Service Provider Equipment unless directed to by Service Provider.

6.11. Online Status Ratio.

(a) Service Provider shall ensure that the Online Status Ratio in each Billing Period is no less than 95%, unless such below-95% Online Status Ratio is caused solely by the defects of the Co-location Servers or the inappropriate acts or omissions in relation to the operation of the Co-location Servers by CTG Personnel.

(b) If the Online Status Ratio for any Billing Period is less than 95% due to any substandard condition of the Data Center Facility, including but not limited to, power connection, network connection, MDC Infrastructure, heat dissipation when the outside ambient temperature is less than 35 degrees Celsius, water purification and/or other infrastructure, Service Provider shall have a period of one (1) month to remedy such substandard condition.

(c) If the Online Status Ratio for the Billing Period immediately after the one-month remedial period continues to be less than 95%, CTG shall be entitled to (i) terminate this Agreement with immediate effect without any liability for breach of contract, or (ii) a reduction of the Co-location Fee so that the Co-location Fee for such Billing Period shall be the product of the Co-location Fee multiplied by the Online Status Ratio immediately after the one-month remedial period with effect from the expiration of the remedial period up to and until the Online Status Ratio for a Billing Period is no less than 95%.

6.12. Inventory Storage. In addition to the space required for co-location of the Co-location Servers, Service Provider shall provide sufficient space to CTG for storage and safe- keeping of Inventory Assets.

6.13. Installation and Accuracy of Separate Meter. Service Provider shall install Separate Meter(s) at the Data Center Facility to monitor the electrical power consumed in the operation of the Co-location Servers and MDC Infrastructure, and shall cooperate with CTG to check and calibrate the accuracy of the Separate Meter(s) regularly or occasionally, but no more than once during any 12 month period, in accordance with CTG's request and instructions, to ensure the constant accuracy of the Separate Meter(s). Separate Meter shall be located as set out in the Information Memorandum.

6.14. Inventory Audit. CTG shall be entitled to conduct inventory audits of the Co-location Servers regularly or occasionally, and Service Provider shall provide assistance and convenience accordingly. If the result of the inventory audit does not match the information as stipulated in the applicable Service Order, Service Provider shall assist CTG to discover the reasons.

7. INSURANCE

7.1. In the event of any damage or loss of the Co-location Servers and upon request of CTG, Service Provider shall provide CTG and/or the owner of the Co-location Servers (as applicable) with documents and information in support of the insurance claim made to the insurance company, as requested by CTG. CTG shall reimburse Service Provider's reasonable costs and expenses actually expended on third parties for the preparation or delivery of such documents and information, if such costs and expenses are material, and Service Provider shall notify CTG of those costs and expenses prior to incurring them.

7.2. Service Provider is not required to maintain insurance coverage for the Co-location Servers or the Inventory Assets.

7.3. Each Party shall obtain and maintain insurances as follows: (a) commercial general liability insurance in an amount of at least $2,000,000 per occurrence and $4,000,000 aggregate; (b) workers' compensation insurance in an amount not less than that required by applicable law.

8. TITLE AND OWNERSHIP

8.1. Ownership of Co-location Servers. Service Provider acknowledges and agrees that the Co-location Servers and Inventory Assets are assets of CTG or any third party designated by CTG (as applicable) (collectively, the "**Owner of Co-location Servers**") and the Owner of Co-location Servers shall solely have the proprietary interest in the Co-location Servers unless such interest is transferred to Service Provider under Section 11.3(b). The Owner of the Co-location Servers shall not be affected by any factors, including but not limited to Service Provider's operating conditions, financial conditions or any disputes or lawsuits against its shareholders or any third parties. In no event shall Service Provider's creditors, shareholders or other third parties be entitled to file disputes regarding the ownership of the Owner of Co-location Servers. Without prejudice to the foregoing, in the event that any such dispute occurs, Service Provider shall provide the Owner of Co-location Servers with all reasonable assistance in proving the Owner of Co-location Servers' proprietary interest in the Co-location Servers.

8.2. Ownership Service Provider Equipment. CTG acknowledges and agrees that the Service Provider Equipment are assets of Service Provider or any third party designated by Service Provider (as applicable) and Service Provider or such third parties shall solely have the proprietary interest in the Service Provider Equipment.

9. INDEMNIFICATION AND LIMITATION OF LIABILITY

9.1. Each Party (the "Indemnifier") shall indemnify, defend and hold each other Party (the "Indemnitee") along with the Indemnitees's Affiliates, officers, directors, agents, and employees, from and against any third-party action, claim, suit, proceeding, demand, investigation, or charge alleging any costs, losses, liabilities, damages, fines, judgments, fees, or expenses (including reasonable attorneys' fees and court costs) to the extent directly caused by:

i. any failure by Indemnifier to comply with Applicable Law in connection with this Agreement;

ii. any liability or damage incurred by reason of any negligent act or omission of such Party or its officers, directors, agents, and employees.

Neither Party may settle any action, claim, suit, proceeding, demand, investigation, or charge under this Article 9.1 without the other Party's prior written consent.

Each Party shall be entitled to participate in any defense using its own counsel at its own cost.

9.2. Subject to other provisions of this Article 9, each Indemnifier hereby agrees to indemnify, defend and hold harmless the Indemnitee and its respective Affiliates, officers, directors, agents and employees from and against any and all losses, liabilities, damages, liens, claims, obligations, judgments, penalties, deficiencies, costs and expenses (including reasonable attorneys' fees and court costs) ("Loss") to the extent resulting from or arising out of any negligence or breach or omission of performance by such Party of any of the representations, covenants or other agreements in this Agreement.

9.3. Any Party claiming to be an Indemnitee shall promptly notify the Indemnifier in writing of the potential Loss, and the breach, act or omission which lead to the Loss, and shall use reasonable efforts, including cooperating with the Indemnifier, to mitigate the Loss. The Indemnifier shall not be liable for Losses to the extent they can be attributed to the acts or omissions of the Party claiming to be the Indemnitee.

In addition, and subject to other provisions of this Article 9, if any Co-location Server is damaged or lost due to reasons attributable to Service Provider, Service Provider hereby agrees to indemnify, defend and hold harmless CTG and its respective Affiliates, officers, directors, agents and employees from and against any and all Losses arising therefrom, based on the fair market value of such Co-location Server.

9.4. OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT, SERVICE PROVIDER DISCLAIMS ANY AND ALL EXPRESS WARRANTIES AND ALL IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON- INFRINGEMENT IN TITLE, AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE, OR TRADE PRACTICE.

9.5. IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR LOSS OF REVENUE, LOSS OF PROFITS, LOSS OF USE, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, OR INDIRECT DAMAGES, WHETHER BY STATUTE, IN TORT OR CONTRACT, OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. SERVICE PROVIDER WILL NOT BE LIABLE TO CTG FOR ANY LOSSES INCURRED BY CTG TO THE EXTENT CAUSED BY THE USE OF CTG'S PREFERRED MONITORING SOFTWARE.

9.6. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL A PARTY'S LIABILITY (WHETHER BY STATUTE, IN TORT OR CONTRACT, OR OTHERWISE) TO THE OTHER PARTY, OTHER THAN THE LIABILITY FOR THE PAYMENT OF DELAYED COMPENSATION OR FEES, EXCEED:

(a) THE FEES PAID TO SERVICE PROVIDER DURING THE TWELVE MONTH PERIOD PRIOR TO THE EVENT THAT RESULTED IN THE LIABILITY (NOT INCLUDING ANY REIMBURSEMENTS FOR POWER); OR

(b) IF THE LIABILITY RELATES TO DAMAGE OR LOSS TO ANY CO-LOCATION SERVERS THAT CANNOT BE REPAIRED AND WHICH IN EACH CASE WAS PRIMARILY CAUSED BY SERVICE PROVIDER, THEN THE SERVICE PROVIDER'S LIABILITY SHALL BE LIMITED, AT ITS DISCRETION, TO REPLACING THE DAMAGED OR LOST CO-LOCATION SERVERS WITH SIMILAR SERVERS SATISFACTORY TO CTG, AT ITS SOLE COST AND EXPENSE, OR MAKING PROMPT PAYMENT OF THE FAIR MARKET VALUE (AT THE TIME OF THE LOSS) OF SUCH CO-LOCATION SERVERS, IN BOTH CASES UP TO $3,000,000. SERVICE PROVIDER IS NOT REQUIRED TO MAKE ANY PAYMENTS UNDER THIS INDEMNITY UNTIL CTG HAS FIRST EXHAUSTED ANY INSURANCE CLAIMS IT HAS FOR THE DAMAGED OR LOST CO-LOCATION SERVERS.

(c) IF THE LIABILITY RELATES TO DAMAGE OR LOSS TO ANY PART OF THE DATA CENTER FACILITY, OR SERVICE PROVIDER EQUIPMENT THAT WAS PRIMARILY CAUSED BY CTG, THEN CTG'S LIABILITY SHALL BE LIMITED TO $3,000,000. CTG IS NOT REQUIRED TO MAKE ANY PAYMENTS UNDER THIS INDEMNITY UNTIL SERVICE PROVIDER HAS FIRST EXHAUSTED ANY INSURANCE CLAIMS IT HAS FOR THE DAMAGED OR LOST ITEMS.

THE PARTIES HEREBY WAIVE ANY CLAIM THAT THESE EXCLUSIONS DEPRIVE THEM OF AN ADEQUATE REMEDY OR CAUSE THIS AGREEMENT TO FAIL ITS ESSENTIAL PURPOSE.

10. FORCE MAJEURE

10.1. A Party shall not be considered to be in default or breach of this Agreement and shall be excused from performance or liability for Loss to the other Party, if and to the extent that the performance of any obligation of such Party under this Agreement (other than an obligation to make payment) is prevented, frustrated, hindered or delayed as a consequence of an event of Force Majeure, *provided* that:

(a) such Party claiming to benefit under this Article 10.1 (the " **Affected Party**") shall:

(i) promptly and in any event no later than 3 days from the occurrence of such event of Force Majeure, give the other Party (the " **Non-Affected Party**") a written notice (including via email) setting out details of such event of Force Majeure; and

(ii) within ten (10) days from the occurrence of such event of Force Majeure, produce to the Non-Affected Party supporting materials evidencing such event of Force Majeure and how its occurrence prevented, frustrated, hindered or delayed the performance of the Affected Party's obligation under this Agreement;

(b) the Affected Party shall take all necessary measures to mitigate the impact of such event of Force Majeure and shall resume normal performance of this Agreement promptly after the removal of such event of Force Majeure, unless it is impracticable or unnecessary to resume the performance of this Agreement; and

(c) notwithstanding any other agreement to the contrary in this Agreement, Service Provider shall unconditionally waive CTG's Co-location Fees for the duration of the Co-location Servers' inoperability due to the effects of such Force Majeure event.

10.2 If the normal performance of this Agreement cannot be resumed within thirty (30) calendar days from the occurrence of such event of Force Majeure, either Party shall be entitled to terminate this Agreement with immediate effect without any liability for breach of contract.

11. TERM AND TERMINATION

11.1. Term. This Agreement shall have a term effective from the date hereof and expiring on the first (1st) anniversary of the Initial Date (the " **Initial Term**" and together with the Holdover Period the " **Term**"). CTG may request to extend the Term beyond the Initial Term by providing Service Provider with 75 days' notice prior to the end of the Initial Term ("**Holdover Period**"). Service Provider may elect to approve or reject the request to extend the Term to the Holdover Period for any reason and must provide their approval or rejection of such a request within 15 days. The Holdover Period, if approved by Service Provider, will be one month with automatic monthly renewals. CTG or Service Provider may terminate the Holdover Period with 60 days' notice to the other Party. The terms herein applicable to the Initial Term will apply to the Holdover Period. The Holdover Period will automatically terminate on December 31, 2026, if not terminated earlier.

11.2. Termination. This Agreement may be terminated prior to the expiration of the Term:

(a) upon mutual agreement in writing of the Parties;

(b) upon either Party giving a written notice to the other Party if such other Party (i) files in any court or agency pursuant to any Applicable Law, a petition in bankruptcy or insolvency or for reorganization or for an arrangement or for the appointment of a receiver or trustee of such other Party or of its assets, (b) is served with an involuntary petition against it, filed in any insolvency proceeding that is not dismissed within ninety (90) days after the filing thereof, (c) makes an assignment of the assets associated with this Agreement for the benefit of its creditors, (d) fails to maintain or renew any material business registration license, approval or permit that is required under any Applicable Law to carry out its normal business, (e) is subject to actual or potential liquidation, winding up, or dissolution, or (f) authorizes or consummates the merger, acquisition, reorganization, consolidation, business combination or similar transaction, or any transaction or series of transactions in which in excess of 50% of such other Party's voting power is transferred, unless the company or entity acquiring, merging, reorganizing, or engaging in any similar transaction agrees to accede to all of the terms in this Agreement and all of the terms in this Agreement shall be respected;

(c) upon Service Provider giving a written notice to CTG to terminate pursuant to Article 3.4(c)(ii) or other applicable articles if the situation has not been improved after negotiation between the Parties, and a compensation in an amount equal to Monthly Theoretical Co-location Fee shall be paid by CTG to Service Provider upon termination;

(d) upon CTG giving a written notice to Service Provider to terminate pursuant to Article 3.4(d)(iii), Article 6.11(c), Article 15.3 or other applicable articles if the situation has not been improved after negotiation between the Parties, and a compensation in an amount equal to Monthly Theoretical Co-location Fee shall be paid by Service Provider to CTG upon termination;

(e) upon either Party giving a written notice of its intention to terminate this Agreement in whole or in part of no less than sixty (60) calendar days to the other Party, *provided that* a compensation in an amount equal to Monthly Theoretical Co-location Fee shall be paid by the terminating Party to the non-terminating Party upon termination and the termination shall be effective only to the extent of such notice; and

(f) upon a Party giving a written notice to the other Party to terminate pursuant to Article 10.2.

11.3. Effects of Termination. Upon termination of this Agreement:

(a) Service Provider shall:

(i) return the remaining Deposit to CTG including in accordance with Articles 3.4(c)(ii), 3.4(d)(iii) or 3.4(e);

(ii) pay any and all amounts owing to CTG including any Delayed Compensation under Articles 3.4(c)(ii) or 3.4(d)(iii), and Monthly Theoretical Co-location Fee under Articles 11.2(d) or 11.2(e);

(iii) any Balance remaining;

(iv) subject to Article 6.7, provide access to CTG Personnel to the Data Center Facility and any reasonable assistance required by such CTG Personnel to remove the Co-location Servers and Inventory Assets;

(v) issue final invoices; and

(vi) return all Confidential Information of CTG to CTG and delete all electronic copies thereof from its systems.

(b) CTG shall:

(i) pay all finally determined invoice amounts outstanding;

(ii) promptly remove all the Co-location Servers and Inventory Assets from the Data Center Facilities at its own cost. Service Provider may charge storage costs for any Co-location Servers which have not been removed by CTG within 10 Business Days of Service Provider giving CTG written notice that Service Provider has commenced the de-racking of the Co- location Servers. Any Co-location Servers or Inventory Assets not removed within ninety (90) days of the termination date of a relevant service order or this Agreement will be deemed 'abandoned' ("**Abandoned Assets**"), and title to the Abandoned Assets will then automatically transfer to Service Provider. Service Provider may dispose of Abandoned Assets at CTG's cost; and

(iii) return all Confidential Information of Service Provider to Service Provider and delete all electronic copies thereof from its systems.

11.4. Survival.

(a) Neither the expiration nor the termination of this Agreement will release either of the Parties from any obligation or liability that accrued prior to such expiration or termination.

(b) The provisions of this Agreement requiring performance or fulfillment after the expiration or termination of this Agreement will survive the expiration or termination of this Agreement including Article 8, Article 9, Article 11, Article 12, Article 13, Article 14 and Article 16 and such other provisions as are necessary for the interpretation therefor and any other provisions hereof, the nature and intent of which is to survive termination or expiration of this Agreement.

12. CONFIDENTIALITY

12.1. From the date of this Agreement until the fifth (5th) year anniversary of the expiration of the Term or the earlier termination pursuant to Article 11.2, each Party hereby agrees that it will, and will cause its Affiliates and its and their respective directors, officers, employees, professional advisors, agents and other Persons acting on their behalf (including the CTG Personnel) (collectively, "**Representatives**") to hold, in strict confidence the terms and conditions of this Agreement, all exhibits and schedules attached hereto and the Service Order(s), including their existence, and all non-public records, books, contracts, instruments, computer data and other data and information, whether in written, verbal, graphic, electronic or any other form, provided by any other Party and its Representatives (except to the extent that such information has been (a) already in such Party's possession prior to the disclosure or obtained by such Party from a source other than any other Party or its Representatives, provided that, to such Party's knowledge, such source is not prohibited from disclosing such information to such Party or its Representatives by a contractual, legal or fiduciary obligation to any other Party or its Representatives, (b) in the public domain through no breach of the confidentiality obligations under this Agreement by such Party, or (c) independently developed by such Party or on its behalf without reference to any such non-public information) (the "**Confidential Information**").

12.2. Notwithstanding the foregoing, each Party may disclose the Confidential Information (i) to its Affiliates and its and their respective Representatives so long as such persons are subject to appropriate nondisclosure obligations, (ii) as required by applicable Law (including securities Laws and applicable securities exchanges rules) or requests or requirements from any Governmental Authority or other applicable judicial or Governmental Order, or (iii) in connection with any enforcement of, or dispute with respect to or arising out of, this Agreement, or (iv) with the prior written consent of the other Party.

12.3. The content of this Agreement and any information disclosed hereunder by the other Party in the course of negotiating or performing this Agreement is Confidential Information under this Agreement and shall only be used in accordance with this Agreement.

13. INJUNCTIVE RELIEF

13.1. The Parties acknowledge that a breach or threatened breach of this Agreement shall cause serious and irreparable harm to the non-breaching Party for which monetary damages alone would not be a sufficient remedy. Accordingly, the Parties agree that in the event of a breach or threatened breach, the non-breaching Party shall be entitled to injunctive relief and specific performance in addition to any other remedy available to such Party in equity or at law without the necessity of obtaining any form of bond or undertaking whatsoever, and the breaching Party hereby waives any claim or defense that damages may be adequate or ascertainable or otherwise preclude injunctive relief.

14. NOTICES

14.1. All notices, requirements, requests, claims, and other communications in relation to this Agreement shall be in writing, and shall be given or made by delivery in person, by an internationally recognized overnight courier service, by registered or certified mail (postage prepaid, return receipt requested) or electronic mail to the respective Parties at the addresses specified below or at such other address for a Party as may be specified in a notice given in accordance with this Article 14.1. Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted (or, if such day is not a Business Day, on the next following Business Day).

14.2. The following are the initial address of each Party:

If to Service Provider:

Address: 201 Clark St., Sharon PA 16146
Attn: Craig Hibbard
Email: craig@mawsoninc.com, copy to notices@mawsoninc.com

If to CTG:

Address: 1122 Bristol Street, Costa Mesa, CA 92626
Attn: Jason Haase, CFO
Email: jason@consensustech.co

15. ANTI-COMMERCIAL BRIBERY, ANTI-MONEY LAUNDERING

15.1. Service Provider shall not, and shall procure its directors, officers, employees, consultants, agents and other representatives (collectively with Service Provider, the "**Service Provider Associates**") not to, directly or indirectly engage in any activity of commercial bribery, i.e. providing any unjustified interests in any form including but not limited to cash, cheque, credit card gifts, negotiable securities (including bonds and stocks), physical objects (including all kinds of high-end household goods, luxury consumer goods, handicrafts and collections, as well as housing, vehicles and other commodities), entertainment coupon, membership card, currency or rebate in the form of goods, kickback, non-property interests such as schooling, honor, special treatment, and employment for relatives and friends, traveling, entertaining and personal service etc. to any director, officer, employee, consultant, agent and other representative of CTG (collectively, "**CTG Associates**") in order to obtain the any immediate or future business opportunity with CTG whether under this Agreement or any other business relationship, regardless of whether such unjustified interests is provided on Service Provider Associates' own initiative or in response to explicit or implicit request of CTG Associates.

15.2. If any of CTG Associates explicitly or implicitly requests commercial bribes, Service Provider shall immediately notify CTG of such activity with relevant evidence and cooperate with CTG in its investigation.

15.3. If any of Service Provider Associates commits commercial bribes in contravention of Article 15.1, CTG shall be entitled to terminate this Agreement and any other existing business cooperation with Service Provider and claim for damages against Service Provider.

15.4. Promptly following any request therefor, Service Provider shall provide information and documentation reasonably requested by CTG for purposes of compliance with applicable "know your customer" requirements and anti-money-laundering rules and regulations, including, without limitation, the USA PATRIOT Act of 2001.

16. GENERAL

16.1. Entire Agreement and Amendment . This Agreement, together with all Services Orders, appendixes, schedules, annexes and exhibits, constitute the full and entire understating and agreement between the Parties, and supersede all other agreements between or among any of the Parties with respect to the subject matters hereof and thereof. This Agreement may only be amended with the written consent of both Parties or otherwise as mutually agreed by both Parties.

16.2. Assignment.

(a) Either Party may freely assign or transfer any of its rights, benefits or obligations under this Agreement in whole or in part to its Affiliates or to any third party subject to the other Party's prior written consent.

(b) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

16.3. Non-Solicitation. Each Party agrees that from the date of this Agreement until the first (1st) year anniversary of the expiration of the Term or the earlier termination pursuant to Article 11.2, unless mutually agreed by both Parties, neither Party shall (1) directly or indirectly, solicit, recruit, encourage or induce employees or consultants of the other Party to (i) terminate such person's employment or consulting relationship or (ii) become employed or engaged as an employee, officer, director, member, manager, partner or any other type of the soliciting Party or any other third party; or (2) use any Confidential Information, directly or indirectly, to solicit customers or suppliers of the other Party or otherwise divert or attempt to divert business away from the other Party, nor will the employee encourage or assist others to do the same.

16.4. Governing Law. This Agreement shall be solely governed by and construed in accordance with the laws of the Relevant Jurisdiction, without regard to principles of conflict of laws.

16.5. Dispute Resolution. All disputes arising under this Agreement shall be submitted to arbitration in the Relevant Jurisdiction before a single arbitrator of the American Arbitration Association (" **AAA**"). The arbitrator shall be selected by application of the rules of the AAA, or by mutual agreement of the parties, except that such arbitrator shall be an attorney admitted to practice law in the Relevant Jurisdiction. No Party to this agreement will challenge the jurisdiction or venue provisions as provided in this section. No Party to this agreement will challenge the jurisdiction or venue provisions as provided in this section. Nothing contained herein shall prevent the Party from seeking or obtaining an injunction in a court of the Relevant Jurisdiction. The breaching Party shall bear the attorney fees and arbitration fees of the non-breaching Party. EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY.

16.6. Severability. In case any provision of the Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. If, however, any provision of this Agreement shall be invalid, illegal or unenforceable under any Applicable Law in any jurisdiction, it shall, as to such jurisdiction, be deemed modified to conform to the minimum requirements of such Applicable Law, or, if for any reason it is not deemed so modified, it shall be invalid, illegal or unenforceable only to the extent of such invalidity, illegality or limitation on enforceability without affecting the remaining provisions of this Agreement, or the validity, legality or enforceability of such provision in any other jurisdiction.

16.7. Counterparts This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile and e-mailed copies of signatures shall be deemed to be originals for purposes of the effectiveness of this Agreement.

[The remainder of this page is intentionally left blank for signature]

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the date first written above.

Signed for and on behalf of CTG

Consensus Colocation PA LLC

Signature /s/ Ruslan Zinurov
Name: Ruslan Zinurov
Title: Authorized Signatory

Signed for and on behalf of Service Provider

Mawson Hosting LLC

Signature /s/ Rahul Mewawalla
Name: Rahul Mewawalla
Title: Authorized Signatory

APPENDIX I
SERVICE ORDER

This is a Service Order under the Service Framework Agreement dated October 12, 2023 (the " **Service Framework Agreement**") between **Consensus Colocation PA LLC** ("**CTG**") and Mawson Hosting LLC (" **Service Provider**"). Unless otherwise specified, capitalized terms used herein shall have the same meaning as those defined in the Service Framework Agreement. The effective date of this Service Order is the same as the Effective Date of the Agreement.

1. DATA CENTER FACILITY

This Service Order is corresponding to the Information Memorandum of Data Center Facility submitted by the Service Provider on or about October 12, 2023 attached hereto as EXHIBIT A (the " **Information Memo**") as well as the Data Center Facility as described in the Information Memo located at 950 Railroad Avenue, Midland, PA 15059.

2. CO-LOCATION CAPACITY AND CO-LOCATION SERVERS

2.1. Under this Service Order, Service Provider agrees to provide to CTG Co-location Capacity as follows, together with the necessary onsite production facilities including office rooms, maintenance facility, and toilets. The number of the Minimum Co- location Quantity is as set out below.

Maximum Co-location Capacity (MW)	Minimum Co-location Quantity (Units)
50 MW	15,876

2.2. Details of the Co-location Servers to be delivered hereunder are as follows, including the specific model, power efficiency and quantity of the Co-location Servers. Service Provider shall ensure that the Data Center Facility has been connected to electrical power and reaches its standard operational conditions for each batch of Co-location Servers to be in Online Status on or before the respective estimated power-on date as set forth in the table below.

Batch No.	Mode l	Power Efficiency (J/T)	Co-location Quantity (Units)	Estimated Arrival Date	Estimated Power-on Date
1	S19 XP	140	7,938	10/18/2023	10/25/2023
2	S19 XP	140	7,938	10/30/2023	11/15/2023
In Total	**-**	**-**	**15,876**	**-**	**-**

2.3. The Parties further acknowledge and agree that, subject to the Co-location Capacity and Minimum Co-location Quantity, CTG shall be entitled to, from time to time, modify the model of the Co-location Servers with a newer model and Co-location Quantity, at its sole discretion, by providing written notice (the "**Co-location Servers Modification Notice** ") in the form attached hereto as EXHIBIT B of this Service Order five (5) Business Days prior to the delivery, withdrawal, and/or replacement of the Co-location Servers as long as the change doesn't require any infrastructure change to the Data Center Facility, cause the Service Provider to be in breach of the Service Framework Agreement, this Order, Applicable Law, or any other agreements Service Provider may have (including the Lease or the power agreements), or cause the power draw to exceed the maximum amount attributed to the contract, or otherwise cause a material decrease in CTG's usage of the Co-location Capacity set forth herein. CTG shall pay Service Provider's reasonable costs and expenses to facilitate those changes.

Service Provider shall cooperate with CTG to on-rack and/or de-rack of the Co-location Servers, power on additional Co-location Servers as applicable, and adjust the amount of the Prepayment in accordance with the calculation methods provided in the Agreement. In the event where there is a decrease in the Prepayment, Service Provider shall return the difference in accordance with Article 3.5(b) of this Agreement.

3. SERVICE AND FEES

3.1. Deposit. CTG shall pay to Service Provider the Deposit as set forth below in accordance with the Service Framework Agreement.

Batch No.	Co-location Quantity (Units)	Deposit Breakdown	Deposit (US$)
1	7,938	25MW * 744Hours * $20.00/MWh	$ 372,000
2	7,938	25MW * 744 Hours * $20.00/MWh	$ 372,000
In Total	**15,876**	**-**	$ 744,000

3.2. Fees.

(a) **Co-location Fee Rate:** $0.020/kWh

(b) **Power Reimbursement fees**:

(i) **Fixed Rate Period**: During all times when an Index Rate Period is not in effect the Power Reimbursement will be $0.050/kWh (the "**Fixed Rate**").

(ii) **Index Rate Period**: For the months of January and February in any given year, the Power Reimbursement will be Service Provider's actual billed rate for power (the "**Index Rate**"). During this Index Rate Period, Service Provider will provide CTG with all necessary supporting evidence from its power provider or power consultant to substantiate its billing rate.

(c) **Monthly Theoretical Co-location Fee (including sales taxes/expenses)**: ∑Rated Power of Each Co-location Server Powered-On (kW) × Co-location Fee Rate × 24 × 31

(d) **Minimum Co-location Fee:** $300,000 per month

3.3. Other Fees. CTG shall pay the following fees as per use, provided that these fees may be incurred only after prior written approval of CTG:

(a) On-rack fee (including sales taxes/expenses): US$10 per Co-location Server plus the cost of cables if not provided by CTG.

(b) De-rack fee (including sales taxes/expenses): US$10 per Co-location Server.

(c) Waste fee: Reimbursement of actual costs associated with removal of any packaging materials associated with CTG equipment.

(d) Packing Materials: Reimbursement for all packing materials required for removal of CTG equipment.

(e) Storage: $10 per server per month or part thereof if stored onsite. If stored offsite: at commercially available rates + 9% storage administration fee. Only applies to servers that are not operational and not in the process of being repaired. Does not apply to servers that have been delivered but not yet made operational.

(f) Others (please specify): N/A

3.4. Taxes and Expenses.

Service Provider shall not charge CTG any sales or use taxes in relation to the services rendered under this agreement during Fixed Rate Periods. CTG acknowledges that the Fixed Rate includes taxes, and that those taxes will be passed through to CTG. Service Provider may pass through to CTG any actual sales or use taxes on power as charged by Service Provider's power provider during Index Rate Periods.

3.5. Operational

CTG may only utilize Low Power Mode for up to 30% of the time available in any Quarter.

Minimum Strike Price: $36.13 (not including adders or taxes).

4. BILLING AND PAYMENT

4.1. The Prepayment is estimated as follows as confirmed by documentation provided by Service Provider and the date of provision of such documentation by Service Provider:

Batch No.	Co-location Quantity (Units)	Estimated Prepayment Breakdown (Fixed Rate Period only)	Estimated Prepayment Amount (US$)
1	7,938	25MW * 1,488 Hours * $50.00/MWh	$ 1,860,000
2	7,938	25MW * 1,488 Hours * $50.00/MWh	$ 1,860,000
In Total	15,876	**-**	$ 3,720,000

During the Index Rate Period the Estimated Prepayment will calculated based on forward power curve price as provided by the PJM rather than the fixed $50.00/MWh.

4.2. All payment of Co-location Fee under this Service Order, including any remittance or refund of Co-location Fee, shall be made:

☒ via wire transfer of immediately available funds in the US Dollars to the bank account of designated by the receiving Party; or

☐ via other methods: _____.

The Parties agree that CTG shall be entitled to make payments via the foregoing methods in its sole discretion. In the event that Service Provider fails to provide or update (if applicable) the correct and the latest valid payment information of Service Provider, Service Provider shall not suspend provision of Services, terminate the Service Framework Agreement or this Service Order, or hold CTG liable for any breach of contract for failure of CTG to make payment due thereto.

4.3. Account Information of Service Provider

Account Name: Mawson Hosting LLC
Bank Name: Axos Bank
Bank Address: 4350 La Jolla Village Drive, Suite 140 San Diego, CA 92122
Account Number: To be provided by Service Provider
Routing Number: To be provided by Service Provider

4.4. Account Information of CTG

Account Name: Consensus Colocation PA LLC
Bank Name: Flagstar Bank
Bank Address: 565 5TH AVE, New York, NY 10017
Account Number: 1504960613
Routing Number: 026013576 (Wires only)

5. TERM AND TERMINATION OF SERVICE ORDER

5.1. This Service Order shall be effective from the date hereof and expire on the expiration or early termination of the Service Framework Agreement.

5.2. This Service Order may be terminated prior to its expiration:

(a) upon mutual agreement in writing of the Parties;

(b) upon CTG giving a written notice to Service Provider if the Data Center Facility fails to meet its standard operational conditions of the respective Co-location Capacity for the Co-location Servers to be in Online Status within thirty (30) calendar days after the estimated power-on date set forth in paragraph 2.1 of this Service Order; meanwhile, CTG shall not be liable to pay Service Provider any fee, charges or expenses during the period of such operational conditions;

(c) upon Service Provider giving a written notice to CTG if CTG fails to deliver the any batch of Co-location Servers by (i) the estimated arrival date set forth in paragraph 2.2 of this Service Order, in which case Service Provider shall have no obligation to pay any Delayed Compensation or (ii) the actual date on which the Data Center Facility meets the standard operational conditions of the respective Co-location Capacity, whichever is later; and

(d) upon either Party giving a written notice of no less than sixty (60) calendar days to the other Party, *provided that* a compensation in an amount equal to Monthly Theoretical Co-location Fee shall be paid by the terminating Party to the non- terminating Party upon termination.

5.3. Upon expiration or early termination of this Service Order, Service Provider shall:

(a) in any event no later than ten (10) Business Days from the expiration or early termination, issue final invoices for the unpaid Billing Period, with the Reconciliation Statement for such unpaid Billing Period and the supporting documents proving the Power Consumption for the such Billing Period (e.g., photos of the Separate Meter showing the Power Consumption at the end of such Billing Period) as attachments to the invoice in accordance with Article 3.6(a) of the Service Framework Agreement; and

(b) issue to CTG the updated invoice(s) for the unpaid Billing Period(s) in accordance with Articles 3.6(b)(ii) and 3.6(b)(iii) of the Service Framework Agreement (if applicable).

5.4. Settlement of Last Invoice

CTG shall make payment(s) to Service Provider to settle the outstanding amount in the invoice for the unpaid Billing Period(s) in accordance with Article 3.6(b) of the Service Framework Agreement (if applicable).

6. PREVAILING PROVISION

In the event of any discrepancy between the provision of this Service Order and the Service Framework Agreement, the provision in this Service Order shall prevail.

[The remainder of this page is intentionally left blank for signature]

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the date first written above.

Signed for and on behalf of CTG

Consensus Colocation PA LLC

Signature /s/ Ruslan Zinurov
Name: Ruslan Zinurov
Title: Authorized Signatory

Signed for and on behalf of Service Provider

MAWSON HOSTING LLC

Signature /s/ Rahul Mewawalla
Name: Rahul Mewawalla
Title: Authorized Signatory

EXHIBIT A
INFORMATION MEMORANDUM OF DATA CENTER FACILITY

Service Provider: Mawson Hosting LLC
Submission Date: October 12, 2023

BASIC INFORMATION			
Location	950 Railroad Avenue, Midland, PA 15059		
Jurisdiction	Midland, PA; Beaver County, PA		
Land Area (sq. m)			
Building Area (sq. m)			
Construction Structure	☐ Steel Structure ☐ Warehouse ☒ Container		
Designed No. of Racks	27 containerized data centers 15,876 rack spaces		
Heat Dissipation Method	☐ Hydro Cooling ☒ Air Cooling		
Local Temperature (℃)	Max.	Min.	Avg.
Server Air Inlet Temperature (℃)	Max.	Min.	Avg.
Humidity (%)	June % December %		
Air Pressure (kPa)	June December		
ELECTRICAL POWER			
Power Type	☒ Grid hybrid ☐ Wind ☐ Solar ☐ Hydro ☐ Nuclear		
Max. Power Capacity (MW)	50 MW		
Minimum Power Commitment	☒ Not Available ☐ _____ MW		
NETWORK			

Network Operator
Network Bandwidth, Mb/s

Conditions of Prepayment

1. Service Provider completed the construction of the Data Center Facility and passed the inspection of the Data Center Facility by CTG;

2. The Data Center Facility has the capability to connect to electrical power for the respective batch of Co-location Servers; and

Conditions of Payment of Deposit

1. The high-voltage, medium-voltage and low-voltage transformers arrived at the Data Center Facility;

2. The wiring between high-voltage and low-voltage transformers is completed;

3. The construction of infrastructure, including but not limited to site hardening of the Data Center Facility, construction of facilities and buildings are completed, if applicable; and

4. The site protection facilities of the Data Center Facility are set up, and the Data Center Facility has the capability of basic safety protection.

COMPLIANCE STATUS

Project Approval Documents	☐ Not Available ☒ Provided to CTG on 9/13/2023
Power Purchase Agreement(s)	☐ Not Available ☒ Provided to CTG on 9/13/2023
Land Title Document	☐ Not Available ☐ Land Ownership Certificate OR ☒ Lease Agreement OR ☐ Land License Agreement provided to CTG on 9/13/2023
Location of the Separate Meter	☐ Next to the high voltage transformer ☒ Next to the low voltage transformer ☐ Next to the container or plant ☐ Other: _____
Ultimate Beneficiary Owner of Data Center Facility[1]	Mawson Infrastructure Group Inc, listed on Nasdaq

OTHER INFORMATION

[1] Please indicate the ultimate beneficial owner who is either (i) an individual, or (ii) a company listed on a qualified stock exchange.

EXHIBIT B
FORM OF NOTICE OF CO-LOCATION SERVERS MODIFICATION
Notice Ref. Number: [ ]

[Date]

Via email

Service Provider: ("**Service Provider**")

Service Order Number:

Subject: Modification of Co-location Servers under Service Order [Service Order Number]

This Co-location Servers Modification Notice (the "**Notice**") is being provided in accordance with the Service Framework Agreement dated_____, 2023 between CTG Technologies Georgia Limited ("**CTG**" or "**we**") and Service Provider, and the Service Order dated _____ thereunder.

This Notice is to inform you of the modification to the Co-location Servers as per paragraph 2.3 of the Service Order. CTG, in its sole discretion, has decided to modify:

☐ the model of the Co-location Servers, and/or

☐ Co-location Quantity.

1. Co-location Servers. Details of the Co-location Servers hereunder are as follows, subject to the specific model, power efficiency and quantity of the Co-location Servers actually delivered to the Data Center Facility:

Batch No.	***Model***	***Power Efficiency (J/T)***	***Co- location Quantity (Units)***	***Estimated Arrival Date***	***Estimated Power-on Date***
1					
2					
[TBD]					
In Total	-	-		-	

Service Provider shall ensure each batch of Co-location Servers to be in Online Status on or before the respective estimated power-on date as set forth in the table above.

2. Reserved

3. Prepayment. The estimated amount of Prepayment shall be revised as follows, subject to the quantity of the Co-location Servers powered-on as confirmed by documentation provided by Service Provider and the date of provision of such documentation by Service Provider:

Batch No.	***Co-location Quantity (Units)***	***Estimated Prepayment Breakdown***	***Estimated Prepayment Amount (US$)***
1		*[**Please insert the MW capacity**]* * 744 Hours * ***[Please insert Power Reimbursement fee]***	
2		*[**Please insert the MW capacity**]* * 744 Hours * ***[Please insert Power Reimbursement fee]***	
[TBD]		*[**Please insert the MW capacity**]* * 744 Hours * ***[Please insert Power Reimbursement fee]***	
In Total		**-**	

4. Payment.

☐ In the event there is an increase in the Deposit and Prepayment, CTG shall, make additional payment of Deposit and Prepayment in accordance with the terms in the Service Framework Agreement.

☐ In the event where there is a decrease in the Deposit and Prepayment, Service Provider shall return the difference between the pre-adjustment Deposit and the post-adjustment Deposit in full to CTG within seven (17) Business Days from the receipt of the Co-location Servers Modification Notice and return the Prepayment in accordance with Section 3.5(b) of the Service Framework Agreement.

The aforementioned modifications are to take effect on [effective date]. We kindly request that you make the necessary arrangements for the on-rack and power-on of the additional Co- location Servers as specified above.

Capitalized terms not defined herein shall have the meaning assigned to them in the Service Framework Agreement and the Service Order.

Please acknowledge receipt of this notice and confirm your understanding of the changes by receipt of this Co-location Servers Modification Notice by signing and returning a copy of this

notice to us within three (3) Business Days, no later than [specify deadline]. If no acknowledgment of receipt is received by the deadline mentioned above, the Notice shall be deemed accepted by Service Provider.

Thank you for your prompt attention to this matter.

Sincerely,

Signed for and on behalf of CTG

Consensus Colocation PA LLC

Signature _____
Name:
Title:

Acknowledged and Agreed:

MAWSON HOSTING LLC

Signature _____
Name:
Title:

APPENDIX II
FORM OF RECONCILIATION STATEMENT

Co-location Capacity (MW)	**Actual Co-location Quantity (Units)**	**Billing Period**	**Power Consumption (kW)**	**Online Status Ratio**	**Co-location Unit Price (US$)**	**Total Co-location Fee (US$)**

APPENDIX III
FORM OF CONFIRMATION OF CO-LOCATION SERVERS SECURITY

Service Provider:
Submission Date:

Date	Service Order Ref. Number	Co-location Quantity (Units)	Site*	Model	Hashrate (T/Hs)	Sub-account Name	Online Quantity* (Units) (B)	Power-shortage Quantity* (Units) (C)	Maintenance Quantity* (Units) (D)	Total Quantity (Units) (A) = (B) + (C) + (D)

In Total

***** ***Note:***

*1. For "**Site**", please indicate the exact building of the Data Center Facility where the corresponding Co-location Servers are stored and operated.*

2. Definitions

1) "Co-location Quantity" means number of the Co-location Servers co-located in the Data Center Facility;

2) "Online Status" means the status of a Co-location Server that is powered-on with constant supply of electrical power, has stable connection with network and is accessible. For the "Online Quantity", please indicate the number of Co-location Servers in Online Status counted on the submission date of this Confirmation of Co-location Servers Security.

3) "Power-shortage Status" means the status of a Co-location Server which has been delivered to the Data Center Facility that (a) is not powered- on yet, or (b) experiences power outage for a consecutive of twenty-four (24) hours or more after being powered-on, and is not in Maintenance Status (as defined below). For the "Power-shortage Quantity", please indicate the number of Co-location Servers in Power-shortage Status counted on the submission date of this Confirmation of Co-location Servers Security.

4) "Maintenance Status" means the status of a Co-location Server that is experiencing defect, failure or malfunction, and has been de-racked pending maintenance or under maintenance. For the "Maintenance Quantity", please indicate the number of Co-location Servers in Maintenance Status counted on the submission date of this Confirmation of Co-location Servers Security.

To ensure the healthy and long-term mutual cooperation and maintain business relationships with ordinary interest between the Parties, the Service Provider hereby certifies that none of the events described below have occurred and are continuing and none of the circumstances described below exist except as identified below in which case the details of each event or circumstance are set forth below in reasonable detail:

1.	Insolvency or bankruptcy proceedings initiated or threatened	☐ Yes ☐ No	Please specify the details: /
2.	Material judgments against Service Provider	☐ Yes ☐ No	Please specify the details: /
3.	Material asset reorganization of Service Provider	☐ Yes ☐ No	Please specify the details: /
4.	Material dispute, claim, litigation or arbitration involving Service Provider	☐ Yes ☐ No	Please specify the details: /
5.	Other circumstance that has had, has, or could reasonably be expected to have a material adverse effect on the business of the Service Provider	☐ Yes ☐ No	Please specify the details: /

Exhibit 10.18

Execution Version

ADDENDUM TO EMPLOYMENT AGREEMENT

THIS ADDENDUM TO THE **EMPLOYMENT AGREEMENT** (the "Agreement") is made as of December 26, 2023, by and between Mawson Infrastructure Group, Inc. (the "Company") and Rahul Mewawalla (the "Executive") (together, the "Parties" and each a "Party").

RECITALS

WHEREAS, the Company executed an Employment Agreement with the Executive (the "Employment Agreement") on May 22, 2023 ("Effective Date"); and

WHEREAS, as a result of certain conditions, the Company did not make certain equity grants as per the terms and timelines it was obligated to the Executive that, at such time, could have jeopardized the ability of the Company to continue as a going concern, and the parties are entering into this Agreement to provide additional benefits to the Executive to compensate the Executive for such failure of the Company to meet such obligations; and

WHEREAS, the Company and the Executive have agreed to incorporate the following updates as part of that Employment Agreement with immediate effect.

NOW, THEREFORE, the Parties hereto agree as follows:

- Section 5(c) of the Employment Agreement is entirely replaced and amended by the following: "In calendar year 2024, but in no event later than October 31, 2024, Executive will receive a fully vested restricted stock unit award under the Company's Equity Plan with a fair value of at least $500,000 (the "Sign-on Stock Award") and no less than the number of restricted stock units that the Executive would have otherwise received based on the price per restricted stock unit per the original timeline pursuant to the Employment Agreement."

- Section 5(h) of the Employment Agreement is entirely replaced and amended by the following: "In calendar year 2024, but in no event later than October 31, 2024, Executive will receive a fully vested restricted stock unit award under the Company's Equity Plan with a fair value of at least $1,000,000 (the "Inducement Stock Award") (rounded to the nearest whole share of the Company's common stock) and no less than the number of restricted stock units that the Executive would have otherwise received based on the price per restricted stock unit per the original timeline pursuant to the Employment Agreement."

- Section 5(h)(ii) of the Employment Agreement is entirely replaced and amended by the following: "The Stock Options, the Sign-on Stock Award, Restricted Stock Award, Inducement Stock Award and any future equity, stock or options awards that the Executive may receive will each provide that in the event a broker-assisted exercise (or similar mechanic) has not been sufficiently adopted or made sufficiently available by the Company to the Executive, the Executive will have the right and the Company shall cover, during and post his employment with the Company, the required full tax withholding (as per the withholdings elected by Executive at such time) upon vesting and upon vesting and settlement (or in the case of options, exercise) by retaining shares of the vested stock award (in the case of awards of restricted stock or restricted stock units) or shares acquired upon exercise (in the case of stock options). In addition, in the case of any stock option grants, the Executive will have the right and the Company shall cover the exercise price by retaining shares acquired upon such exercise. The Company shall also cause the Administrator of the Company's Equity Plans to comply with the provisions of this paragraph."

- Section 7(a)(iv) is added to the Employment Agreement with the following: "Provide for the full and immediate vesting and settlement acceleration of all unvested and all unsettled equity, including stock options and restricted stock units, of the Executive that are granted prior to October 31, 2024. If the Company is unwilling or unable to immediately accelerate vesting and settlement of all unvested equity and all unsettled equity and cover the required full tax withholdings, the Executive shall have the right to have the Company cancel such equity awards and for the Company to immediately provide payment in cash equivalent to the value of such equity to the Executive. The Company shall also cause the Administrator of the Company's Equity Plans to comply with the provisions of this paragraph."

Execution Version

- Section 7(d)(iii) of the Employment Agreement is entirely replaced and amended by the following: "Provide for the full and immediate vesting and settlement acceleration of all unvested and all unsettled equity, including stock options and restricted stock units, of the Executive. If the Company is unwilling or unable to immediately accelerate vesting and settlement of all unvested equity and all unsettled equity and cover the required full tax withholdings, the Executive shall have the right to have the Company cancel such equity awards and for the Company to immediately provide payment in cash equivalent to the value of such equity to the Executive. The Company shall also cause the Administrator of the Company's Equity Plans to comply with the provisions of this paragraph."

- Section 27 of the Employment Agreement (Clawback Policy) is entirely replaced and amended by the following: "Notwithstanding anything in this Agreement, the Company's Equity Plans, Restricted Share Units or Options Agreements, Company's Clawback policies, Administrator's rights or entitlements, or otherwise in any other documents or provisions to the contrary, the Company and the Administrator of the Company's Equity Plans acknowledges and agrees that the Company and the Administrator shall only be entitled and able to recoup, cancel, or not issue compensation, including equity awards and equity compensation, paid, payable or due to the Executive pursuant to this Agreement or otherwise, if such policy or policies of the Company (the "Clawback Policy") with effect to the Executive is solely limited to the mandatory requirements of an exchange on which the Company's shares are listed for trading, applicable SEC regulation or other regulatory agency's mandatory provisions to which the Company is known to be subject. The Company and the Administrator of the Company's Equity Plans shall not have any other entitlement, right, or any other discretion to recoup, cancel or not issue Executive's compensation, including equity awards and equity compensation, including vested or unvested, settled or unsettled equity. The Company and the Administrator of the Company's Equity Plans acknowledges that this Clawback Policy with effect to the Executive may not be modified at any time without agreement of all the Parties. The Company shall also cause the Administrator of the Company's Equity Plans to comply with the provisions of this paragraph."

Signed on behalf of the Executive:

/s/ Rahul Mewawalla
Rahul Mewawalla

Signed on behalf of the Company:

/s/ Ryan Costello	/s/ Greg Martin	/s/ Michael Hughes
Ryan Costello	Greg Martin	Michael Hughes

Exhibit 10.19

Execution version

HWL EBSWORTH
LAWYERS

Secured Loan Facility Agreement

MIG No.1 Pty Ltd

and

Marshall Investments MIG Pty Ltd as trustee for the Marshall Investments MIG Trust

Ref: GC:KDE:1089107
Doc ID 891037993/v9
Level 14, Australia Square, 264-278 George Street, Sydney NSW 2000 Australia
GPO Box 5408, Sydney NSW 2001 Australia
DX 129 Sydney
Telephone +61 2 9334 8555
Facsimile 1300 369 656 (Australia) +61 2 8507 6584 (International)
hwlebsworth.com.au

HWL EBSWORTH LAWYERS

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HWL EBSWORTH
LAWYERS

Secured Loan Facility Agreement

Date	9 December 2021
Parties	**MIG No.1 Pty Ltd ACN 641 831 923** of Level 5, Pacific Highway, North Sydney NSW 2060 (**Borrower**)
	Marshall Investments MIG Pty Ltd ACN 655 680 256 as trustee for the Marshall Investments MIG Trust ABN 51 605 110 090 of Suite 1, Level 12, 53 Martin Place Sydney NSW 2000 (**Financier**)
Recitals	A. The Financier has agreed to provide the Facility to the Borrower on the terms of this agreement.

The parties agree, in consideration of, among other things, the mutual promises contained in this agreement as follows:

HWL EBSWORTH LAWYERS

Details Schedule

Item 1	Commitment (clause 1.1)	$20,000,000 comprising of: (a) $10,500,000 (**Tranche 1 Commitment**); (b) $4,750,000 (**Tranche 2 Commitment**); and (c) $4,750,000 (**Tranche 3 Commitment**).
Item 2	Termination Date (clause 1.1)	24 months from the date of the Utilisation of the Tranche 1 Commitment, provided that: (a) if Tranche 2 is drawn, the Termination Date will be extended by 6 months from the date of the Utilisation of the Tranche 1 Commitment such that the Termination Date for each Tranche is the same date; and (b) if Tranche 3 is drawn, the Termination Date will be extended by a further 6 months from the date of the Utilisation of the Tranche 1 Commitment such that the Termination Date for each Tranche is the same date.
Item 3	Interest Rate (clause 1.1)	12% per annum
Item 4	Establishment Fee (clause 5.4)	in respect of: (a) Tranche 1, $210,000 (plus GST) (b) Tranche 2, $95,000 (plus GST) (c) Tranche 3, $95,000 (plus GST)
Item 5	Default Management Fee	$5,000 (plus GST) per month or part thereof
Item 6	Minimum Interest (clause 6.7)	In respect of each Tranche, interest calculated in accordance with clause 5.1 for the period commencing on the date of the first Utilisation of that Tranche and ending on the date that is 24 months after the first Utilisation of that Tranche
Item 7	Security (clause 1.1)	

Security Interest	Security Provider	Security Priority
General Security Agreement	The Borrower	First ranking registered

1. Definitions and interpretation clauses

1.1 Definitions

In this agreement:

Accounting Standards	means generally accepted accounting principles in Australia as applicable from time to time and consistently applied.
ASIC	means the Australian Securities and Investment Commission.
Associate	means an associate as defined in section 318 of the Tax Act.
Attorney	means an attorney appointed under a Finance Document.
Authorisation	means: (a) any consent, registration, filing, agreement, notice of non-objection, notarisation, certificate, licence, approval, permit, authority or exemption; or (b) in relation to anything which a Government Agency may prohibit or restrict within a specific period, the expiry of that period without intervention or action or notice of intended intervention or action.
Authorised Officer	means: (a) in relation to the Borrower, a director, secretary or attorney of the Borrower or a person from time to time nominated in writing by the Borrower to be its Authorised Officer, by a notice to the Financier accompanied by a specimen signature of any such person in an Authorised Officers Certificate (or a verification certificate provided under clause 2.1) and in respect of whom: (i) the identity of that person has been verified to the Financier's satisfaction in order to manage the Financier's anti-money laundering, counter-terrorism financing and economic and trade sanctions risk or to comply with any law or regulations of Australia or other applicable country or jurisdiction; and (ii) the Financier has not received notice of revocation of the appointment; (b) in relation to the Financier, any employee of the Financier whose title includes the word 'Chief', 'Head', 'Manager',

'President', 'Vice President', 'Counsel', 'Executive' or 'Director' or any person authorised by the Financier generally or specifically to be an Authorised Officer.

Authorised Officers Certificate means a certificate in the form of Schedule 6.

Availability Period means:

(a) for Tranche 1, the period commencing on the date of this agreement and ending on the earlier of:

(i) 24 December 2021; and

(ii) the date on which the Tranche 1 Commitment is cancelled in full under this agreement;

(b) for Tranche 2, the period commencing on the date of the first Utilisation of the Tranche 1 Commitment, and ending on the earlier of:

(i) 6 months after the date of the first Utilisation of the Tranche 1 Commitment; and

(ii) the date on which the Tranche 2 Commitment is cancelled in full under this agreement;

(c) for Tranche 3, the period commencing on the date of the first Utilisation of the Tranche 2 Commitment, and ending on the earlier of:

(i) 6 months after the date of the first Utilisation of the Tranche 2 Commitment; and

(ii) the date on which the Tranche 3 Commitment is cancelled in full under this agreement.

Bill means a bill of exchange as defined in the *Bills of Exchange Act 1909* (Cth).

Borrower's Revenue means operating revenue generated through Bitcoin sales that is received directly by the Borrower.

Business Day means:

(a) for the purposes of clause 16, a day on which banks are open for business in the city where the notice or other communication is to be received excluding a Saturday, Sunday or public holiday; and

(b) for all other purposes, a day on which banks are open for business in Sydney, New South Wales, Australia, excluding a Saturday, Sunday or public holiday.

Calculation Date means:

(b) 30 September;

(c) 31 December;

(d) 31 March; and

(e) 30 June;

of each year.

Calculation Period means in respect of each Calculation Date, the immediately preceding three calendar months ending on and including the Calculation Date.

Change in Law means:

(a) any present or future law, regulation, treaty, order, judicial or tribunal decision or official directive, ruling or request (which, if not having the force of law, would be complied with by a responsible financial institution); or

(b) any interpretation or administration of anything mentioned in paragraph (a) of this definition by any Government Agency (which, if not having the force of law, would be complied with by a responsible financial institution),

which:

(c) commences, is introduced, or changes, after the date of this agreement; and

(d) does not relate to a change in the effective rate at which Tax is imposed on the overall net income of the Financier.

Collateral Security means any present or future Security Interest, Guarantee or other document or agreement created or entered into by the Borrower or any other person in favour of the Financier as security for, or to credit enhance, the payment of any of the Secured Moneys.

Commitment means the amount specified in Item 1 of the Details Schedule as reduced, cancelled or adjusted under this agreement.

Compliance Certificate means a certificate in the form of Schedule 5.

Control means the possession directly or indirectly of the power, whether or not having statutory, legal or equitable force, and whether or not based on statutory, legal or equitable rights or otherwise, by a person, directly or indirectly to control the membership of the board of directors of the corporation or to otherwise directly or indirectly direct or cause the direction of the management, policies or activities of the corporation whether by means of trusts, agreements, arrangements, understandings, practices, the ownership of any interest in shares or stock of the corporation or otherwise.

Control Event means:

(a) the Parent ceases to be the legal and beneficial owner of, and to Control, 100% of the issued shares in the Borrower; or

(b) the Ultimate Parent ceases to be the legal and beneficial owner of, and to Control, 100% of the issued shares in the Parent.

Controller means a controller as defined in section 9 of the Corporations Act.

Convertible Note means convertible note issued to the Financier by the Borrower dated on or about the date of this agreement and in a form acceptable to the Financier.

Corporations Act means the *Corporations Act 2001* (Cth).

Default means:

(a) an Event of Default; or

(b) a Potential Event of Default.

Details Schedule means the 'Details Schedule' beginning at page 2 of this agreement.

Disposable Property means, at any time, any asset or other property which is Disposable Property (as that expression is defined in the General Security Agreement) at that time.

Distribution means any dividend, distribution or other amount declared or paid by the Borrower on, or in respect of, any Marketable Securities issued by it.

Dollars, A$ and $ means the lawful currency of the Commonwealth of Australia.

Event of Default means any event specified in clause 13.1.

Excluded Tax means a Tax imposed:

(a) by any jurisdiction on the income of the Financier but not a Tax:

(i) calculated on or by reference to the gross amount of any payment (without allowance for any deduction) derived by the Financier under a Finance Document or any other document referred to in a Finance Document;

(ii) imposed as a result of the Financier being considered a resident of or organised or doing business in that jurisdiction solely as a result of it being a party to a Finance Document or any transaction contemplated by a Finance Document;

(b) withheld or deducted pursuant to a direction under section 255 of the Tax Act or section 260-5 of Schedule 1 of *the Taxation Administration Act 1953* (Cth); or

as a result of a failure of a Financier to provide details of its Australian Business Number, Tax File Number or proof of other applicable exemption from relevant Taxes.

Facility means the term loan facility made available by the Financier to the Borrower as described in clause 3.1.

Finance Debt means any debt or other monetary liability in respect of moneys borrowed or raised or any financial accommodation including under or in respect of:

(a) any Bill, bond, debenture, note, loan stock or similar instrument (including under a purchase facility for any of them);

(b) any acceptance, endorsement or discounting arrangement;

(c) the amount of any liability in respect of any lease or hire purchase agreement which would, in accordance with Accounting Standards, be treated as a finance or capital Lease (other than any liability in respect of a lease or hire purchase contract which would, in accordance with Accounting Standards in force prior to 1 January 2019, have been treated as an operating lease);

(d) any agreement for the deferral of a purchase price or other payment (for more than 90 days) in relation to the acquisition or disposal of any asset or service or other transaction in any each case having the commercial effect of a borrowing or of the incurrence of financial accommodation;

(e) any indemnity, undertaking to pay or counter-indemnity in respect of any Guarantee, bond, standby or documentary letter of credit or other instrument of similar effect issued by a bank or financial institution;

(f) any Guarantee for any items specified above in this definition;

and irrespective of whether the debt or liability:

(g) is present or future;

(h) is actual, prospective, contingent or otherwise;

(i) is at any time ascertained or unascertained;

(j) is owed or incurred alone or severally or jointly or both with any other person; or

(k) comprises any combination of the above.

Finance Document	means: (a) this agreement; (b) the Guarantee and Indemnity; (c) the Security; (d) any Subordination Deed; (e) each Collateral Security; (f) Priority Deed; (g) any other document or agreement agreed by an Obligor and the Financier, now or in the future, to be a Finance Document; or (h) any document or agreement entered into or given under any of the above or for the purpose of amending, supplementing or novating any of the above.
Financial Model	means the financial model accepted by the Financier in satisfaction of clause 12.1(e)(i), being the document entitled 'Site Financial Model v1.6 - Condong' provided by email to the Financier by Nick Hughes-Jones on 10 November 2021 and as revised by the Borrower from time to time to ensure its consistency with the budget provided under clause 12.1(e)(ii) and delivered in electronic format to the Financier as soon as practicable after its revision.
Financial Report	means in relation to an entity, the following financial statements and information in relation to the entity, prepared for its financial half year or financial year: (a) an income statement; (b) a balance sheet; (c) a statement of changes in equity; (d) a cash flow statement; and (e) any notes to, and any reports, statements, declarations or other document or information accompanying, any document referred to in paragraphs (a) to (d) of this definition.
General Security Agreement	means the General Security Agreement listed in Item 7 of the Details Schedule.
Government Agency	means any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity: it includes any self-regulatory organisation established under statute and any stock exchange.
Group	means:

(a) the Borrower;

(b) the Parent;

(c) the Ultimate Parent; and

(d) any other Subsidiary of the Ultimate Parent.

Group Structure Diagram means the group structure diagram in Schedule 7, as amended or updated by the delivery of a new diagram to the Financier under clause 12.1(j).

GST means the goods and services tax levied under the GST Act.

GST Act means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Guarantee means any guarantee, suretyship, letter of credit, letter of comfort or any other obligation:

(a) to provide funds (whether by the advance or payment of money, the purchase of or subscription for shares or other securities, the purchase of assets or services, or otherwise) for the payment or discharge of;

(b) to indemnify any person against the consequences of default in the payment of; or

(c) to be responsible for,

any debt or monetary liability of another person or the assumption of any responsibility or obligation in respect of the insolvency or the financial condition of any other person.

Guarantee and Indemnity means a Guarantee and Indemnity between the Ultimate Parent as Grantor and the Financier in a form mutually agreed by the parties.

Indirect Tax means any GST or other goods and services tax, consumption tax, value added tax or other tax of a similar nature or effect.

Intellectual Property Rights means all intellectual property rights including current and future registered and unregistered rights in respect of copyright, designs, circuit layouts, trade marks, trade secrets, know-how, confidential information, patents, invention and discoveries and all other intellectual property as defined in Article 2 of the Convention Establishing the World Intellectual Property Organisation 1967.

Interest Payment Date means the last day of each Interest Period.

Interest Period means in respect to a Loan:

(a) for the first interest period from and including, the first Utilisation Date until and including the last day of the calendar month in which that Utilisation Date occurs;

(b) for each subsequent interest period from, and including the first day of each calendar month, to and including the last day of each calendar month; and

(c) for the last interest period from and including, the first day of the calendar month in which the Termination Date occurs, to and including, the Termination Date.

Interest Rate means the rate percent per annum set out in Item 3 the Details Schedule.

Key Person means each of:

(a) James Manning;

(b) Nick Hugh-Jones;

(c) Liam Wilson; and

(d) any other person that the Borrower and the Financier agree in writing is a Key Person.

Lease means a lease, charter, hire purchase, hiring agreement or any other agreement under which any property is or may be used or operated by a person other than the owner.

Loan means a cash advance loan made, or to be made, under the Facility or the principal amount outstanding of that Loan at the relevant time.

Loss means any damage, loss, liability, cost, charge, expense, outgoing or payment including under or in respect of any action or claim.

Marketable Security means:

(a) a marketable security as defined in section 9 of the Corporations Act;

(b) a unit (whatever called) or other interest in a trust or partnership;

(c) a convertible note or bond; or

(d) a right or option in respect of anything specified in paragraphs (a), (b) or (c) of this definition.

Material Adverse Effect means a material adverse effect:

(a) on the ability of the Borrower or the Ultimate Parent to perform any of their respective obligations under any Finance Document to which it is a party;

(b) on the validity, legality or enforceability of all or any part of a Finance Document or the Powers of the Financier under a Finance Document or on the perfection or intended priority of any Security; or

(c) on the assets, business, operations or financial condition of the Group (taken as a whole).

Material Document means:

(a) the PPA;

(b) the Parent Facility Agreement;

(c) the Option Agreement; and

(d) the Subscription Agreement.

Minimum Interest means the amount specified in Item 6 of the Details Schedule.

Obligor means:

(a) the Borrower; and

(b) the Ultimate Parent.

Option Agreement means the document entitled 'Put and Call Option deed' dated on or about the date of this agreement between the Parent and Marshall Investments MIG Pty Ltd ACN 655 680 256 as trustee for the Marshall Investments MIG Trust ABN 51 605 110 090.

Overdue Rate means on any date on which the Overdue Rate is calculated under clause 5.2, the rate which is the aggregate of 5% per annum and the Interest Rate.

Parent means Mawson Infrastructure Group Pty Ltd ACN 636 458 912.

Parent Facility Agreement means a secured loan facility agreement between the Borrower and the Parent dated on or before the date of this agreement.

Payment Schedule means the payment schedule in Schedule 7 or as otherwise replaced in accordance with clause 5.1(d).

Permitted Distribution means:

(a) a Distribution where the following conditions are satisfied:

(i) no Default has occurred which is continuing, or will occur as a result of the Distribution being made; and

(ii) the Financier has given its consent;

(b) a Distribution where no Default has occurred which is continuing, or will occur as a result of the Distribution being made and the Distribution is used to pay Taxes for the Tax Consolidated Group provided that the Financier holds Security over each entity within the Tax Consolidated Group for which the Distribution is used to pay Taxes; or

(c) a Distribution from the Borrower to the Parent.

Permitted Finance Debt means any of the following:

(a) any Finance Debt incurred between the Borrower and the Parent or Ultimate Parent or any other Related Body Corporate of the Borrower over all of whose assets and property the Financier holds a Security Interest, with the prior written consent of the Financier including any Finance Debt in connection with the Parent Facility Agreement;

(b) any Finance Debt provided by a Related Body Corporate of the Borrower which is subordinated pursuant to a Subordination Deed;

(c) any liability under any agreement entered into in the ordinary course of ordinary business for the acquisition of any asset or service where payment for the asset or service is deferred for a period of not more than 90 days;

(d) any trade credit extended to the Borrower by its customers on normal commercial terms and in the ordinary course of its trading activities;

(e) any Finance Debt incurred or permitted to be incurred under any Finance Document;

(f) any Finance Debt secured by a Permitted Security Interest so long as it is not increased; or

(g) any other Finance Debt approved by the Financier in writing.

Permitted Financial Accommodation means any financial accommodation or any Guarantee provided by the Borrower in respect of financial accommodation:

(a) under the Finance Documents;

(b) to a Related Body Corporate of the Borrower over all of whose assets and property the Financier holds a Security Interest, with the prior written consent of the Financier;

(c) any deposits made by the Borrower in ordinary course of business arrangements with a bank or financial institution provided that any such deposits are not made in connection with any Finance Debt provided by that institution;

(d) any loan arising under or in connection with any Tax consolidation arrangements not restricted under the Finance Documents; or

(e) made with the Financier's prior written consent.

Permitted Security Interest means:

(a) every lien created, or arising, by operation of law in the ordinary course of trading securing an obligation that is not yet due;

(b) every lien for the unpaid balance of purchase money under an instalment contract entered into in the ordinary course of trading;

(c) every lien for the unpaid balance of money owing for repairs;

(d) any title retention arrangement, hire purchase, lease of specific items of equipment or any or PMSI entered into in the ordinary course of trading on the supplier's usual terms of sale (or on terms more favourable) so long as the debt secured is paid when due;

(e) the Security Interest granted by the Borrower in favour of Cape Byron Management Pty Ltd ACN 165 320 445 pursuant to clause 16 of the PPA;

(f) a Security Interest granted by the Borrower in favour of the Parent in connection with the Parent Facility Agreement, provided that any such Security Interest is subject to a priority deed with the Financier in a form acceptable to the Financier;

(g) a banker's lien or right of set-off or combination arising by operation of law over property or money deposited with a bank or financial institution in the ordinary course of business;

(h) any Security or Collateral Security,

in any such case which affects or relates to any of the assets of the Borrower.

Potential Event of Default means any thing which would become an Event of Default on the giving of notice (whether or not notice is actually given), the expiry of time, the satisfaction or non-satisfaction of any condition, or any combination of the above.

Power means any right, power, authority, discretion or remedy conferred on the Financier, a Receiver or an Attorney by any Finance Document or any applicable law.

PPA means the Electricity Supply and Sale Agreement between Cape Byron Management Pty Ltd ACN 165 320 445 and the Borrower dated 22 October 2021.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Law means:

(a) the PPSA;

(b) any regulation made under or pursuant to the PPSA; and

(c) any legislation or regulation, or any amendment to any legislation or regulation, at any time made to implement, or as contemplated by or as a consequence of, the PPSA or any regulation made under or pursuant to the PPSA.

Principal Outstanding means, at any time:

(a) in relation to a Tranche, the aggregate principal amount of all outstanding Loans under that Tranche at that time; or

(b) otherwise, the aggregate principal amount of all Loans under all Tranches at that time.

Receiver means a receiver or receiver and manager appointed under a Security.

Related Body Corporate means a related body corporate as defined in section 50 of the Corporations Act, but as if a reference to subsidiary is a reference to Subsidiary as defined in this clause 1.1.

Relevant Currency means the currency in which a payment is required to be made under the Finance Documents and is, if not expressly stated to be another currency, Dollars.

Relevant Date has the meaning given to it in clause 6.7.

Same Day Funds means immediately available funds.

Secured Moneys means all debts and monetary liabilities of each Obligor to the Financier under or in relation to any Finance Document on any account and in any capacity, irrespective of whether the debts or liabilities:

(a) are present or future;

(b) are actual, prospective, contingent or otherwise;

(c) are at any time ascertained or unascertained;

(d) are owed or incurred by or on account of any Obligor alone, or severally or jointly with any other person;

(e) are owed to or incurred for the account of the Financier alone, or severally or jointly with any other person;

(f) are owed to any other person as agent (whether disclosed or not) for or on behalf of the Financier;

(g) are owed or incurred as principal, interest, fees, charges, Taxes, damages (whether for breach of contract or tort or incurred on any other ground), losses, costs or expenses, or on any other account;

(h) are owed to or incurred for the account of the Financier directly or as a result of:

(i) the assignment or transfer to the Financier of any debt or liability of any Obligor (whether by way of assignment, transfer or otherwise); or

(ii) any other dealing with any such debt or liability;

(i) are owed to or incurred for the account of the Financier before the date of this agreement or before the date of any assignment of this agreement to the Financier by any other person or otherwise; or

(j) comprise any combination of the above.

Secured Property means the property subject to a Security.

Security means each Security Interest outlined in Item 7 of the Details Schedule.

Security Interest means:

(a) an interest or power reserved in or created or otherwise arising in or over an interest in any asset whether under a bill of sale, mortgage, charge, lien, pledge, other security interest or preferential arrangement (including retention of title), trust or power or otherwise by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation;

(b) a 'security interest' as defined in section 12(1) of the PPSA; or

(c) any agreement to grant or create anything referred to in paragraphs (a) or (b) of this definition and any other thing which gives a creditor priority to any other creditor with respect to any asset or an interest in any asset.

Security Provider means a person who has granted a Security.

Sharepoint Folder means the link provided by Andrew Jaajaa on 22 October 2021 (through sharepoint) entitled 'DD Folders' containing, among other documents, financial information, company constitution, minutes of the board and monthly reports of the board.

Subscription Agreement the document entitled 'Share Subscription Agreement' dated on or about the date of this agreement between the Borrower, Marshall Investments MIG Pty Ltd ACN 655 680 256 as trustee for the Marshall Investments MIG Trust ABN 51 605 110 090 and the Parent.

Specific Security Agreement means the Specific Security Agreement listed in Item 7 of the Details Schedule.

Subordination Deed	means a subordination deed between the relevant parties subordinating specified Finance Debt to the Secured Moneys on terms acceptable to the Financier acting reasonably.
Subsidiary	means: (a) a subsidiary as defined in section 46 of the Corporations Act but as if a reference to body corporate includes any entity; and (b) an entity whose profit and loss is required by Accounting Standards to be included in the consolidated Financial Report of another entity or would be required if that other entity was a corporation.
Tax	means: (a) any tax, levy, charge, impost, duty, fee, deduction, compulsory loan or withholding; or (b) any income, stamp or transaction duty, tax or charge, which is assessed, levied, imposed or collected by any Government Agency and includes any interest, fine, penalty, charge, fee or other amount imposed on or in respect of any of the above.
Tax Act	means the *Income Tax Assessment Act 1936* (Cth) or the *Income Tax Assessment Act 1997* (Cth) as applicable.
Tax Consolidated Group	means a Consolidated Group or a MEC Group as defined in the *Income Tax Assessment Act 1997* (Cth).
Tax Credit	means a credit against, relief or remission for, or repayment of any Tax.
Tax Deduction	means a deduction or withholding for or on account of Tax (other than Indirect Tax) from a payment under the Finance Documents.
Tax Invoice	includes any document or record treated by the Commissioner of Taxation or other relevant Government Agency as a tax invoice or as a document entitling a recipient to an input tax credit.
Tax Payment	means: (a) an additional payment made by an Obligor to the Financier under clause 7.2; (b) a payment made by an Obligor in accordance with clause 7.3.
Termination Date	means the date specified in Item 2 of the Details Schedule (or such later date as agreed in writing between the Financier and the Borrower or as determined under this agreement).

Title Document	means: (a) any original, duplicate or counterpart certificate or document of title including any real property certificate of title; (b) any share certificate; or (c) any grant, conveyance, transfer, lease, licence or other document evidencing title to, or rights to possess, acquire, use or dispose of, any property. Where a title is in electronic form, it means control of any dealing with the property the subject of that title under an applicable electronic system.
Tranche	means each of: (a) Tranche 1; (b) Tranche 2; and (c) Tranche 3.
Tranche 1	means the tranche identified in Item 1(a) of the Details Schedule.
Tranche 1 Commitment	means the amount identified in Item 1(a) of the Details Schedule.
Tranche 2	means the tranche identified in Item 1(b) of the Details Schedule.
Tranche 2 Commitment	means the amount identified in Item 1(b) of the Details Schedule.
Tranche 3	means the tranche identified in Item 1(c) of the Details Schedule.
Tranche 3 Commitment	means the amount identified in Item 1(c) of the Details Schedule.
Tranche Commitment	means, in respect of a Tranche, the amount specified in Item 1 of the Details Schedule for that Tranche, as reduced, cancelled or adjusted under this agreement.
Tranche Facility	means, in respect of a Tranche, the Facility or Facilities that are specified in Item 1 of the Details Schedule for that Tranche (being Facilities which may be utilised in respect of that Tranche).
Tranche Undrawn Commitment	means, at any time, in respect of a Tranche, the Tranche Commitment for that Tranche at that time less the aggregate Principal Outstanding in respect of that Tranche at that time.
Transaction Document	means a Finance Document or a Material Document .
Ultimate Parent	means Mawson Infrastructure Group Inc ARBN 649 261 861.

Undrawn Commitment	means, at any time, the Commitment at that time less the Principal Outstanding at that time.
Utilisation	means a utilisation of the Facility, being the provision of a Loan.
Utilisation Date	means the date on which a Utilisation is provided, or is to be provided, to the Borrower under this agreement.
Utilisation Notice	means a notice substantially in the form set out in Schedule 3.

1.2 Interpretation

(a) Headings and italicised, highlighted or bold type do not affect the interpretation of this agreement.

(b) In this agreement, unless a contrary indication appears or is expressed:

(i) the singular includes the plural and the plural includes the singular;

(ii) a gender includes the other genders;

(iii) other parts of speech and grammatical forms of a word or phrase defined in this agreement have a corresponding meaning;

(iv) a reference to a person or an entity includes any person, firm, company, partnership, joint venture, association, trust, corporation or other body corporate and any Government Agency (whether or not having a separate legal personality) or two or more of them;

(v) a reference to any thing (including any right) includes a part of that thing, but nothing in this clause 1.2(b)(v) implies that performance of part of an obligation constitutes performance of the obligation;

(vi) a reference to a clause, party, annexure, exhibit or schedule is a reference to a clause of, and a party, annexure, exhibit and schedule to, this agreement and a reference to this agreement includes any annexure, exhibit and schedule;

(vii) a reference to a document includes all amendments or supplements to, or replacements or novations of, that document;

(viii) a reference to a party to any document includes that party's successors and permitted assigns;

(ix) a reference to time is to Sydney time.

(c) In this agreement a reference to a statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances or by-laws amending, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute.

(d) In this agreement, a reference to a section of the Corporations Act includes a reference to the relevant corresponding section of any statute regulating corporations applicable to the Ultimate Parent.

(e) In this agreement a reference to liquidation includes official management, administration compromise, arrangement, merger, amalgamation, reconstruction, winding up, dissolution, deregistration, assignment for the benefit of creditors, scheme, composition or arrangement with creditors, insolvency, bankruptcy, or a similar procedure or, where applicable, changes in the constitution of any partnership or person, or death.

(f) In this agreement a reference to an agreement other than this agreement includes an undertaking, deed, agreement or legally enforceable arrangement or understanding whether or not in writing.

(g) In this agreement a reference to an asset includes all property of any nature, including a business, and all rights, revenues and benefits.

(h) In this agreement a reference to a document includes any agreement or contract in writing, or any certificate, notice, deed, instrument or other document of any kind.

(i) No provision of this agreement may be construed adversely to a party solely on the ground that the party was responsible for the preparation of this agreement or the preparation or proposal of that provision.

(j) In this agreement a reference to drawing, accepting, endorsing or other dealing with a Bill refers to drawing, accepting, endorsing or dealing within the meaning of the *Bills of Exchange Act 1909* (Cth).

(k) In this agreement a reference to a body, other than a party to this agreement (including an institute, association or authority), whether statutory or not, which ceases to exist or whose powers or functions are transferred to another body, is a reference to the body which replaces it or which substantially succeeds to its powers or functions.

(l) Specifying anything in this agreement after the words 'include' or 'for example' or similar expressions does not limit what else is included unless there is express wording to the contrary.

(m) A word or phrase (other than one defined in clause 1.1) used in this agreement which is defined in another Finance Document has the same meaning in this agreement as is given to it in that other Finance Document.

(n) A Potential Event of Default is 'continuing' or 'subsists' if, before it becomes an Event of Default, it has not been remedied or has not been waived in writing by the Financier.

(o) An Event of Default is 'continuing' or 'subsists' if it has not been waived in writing by the Financier or if it has not been remedied before any action is taken in respect of that Event of Default under clause 13.2.

1.3 Business Day

Except where clause 10.2 applies, where the day on or by which any thing is to be done by the Borrower is not a Business Day, that thing must be done on or by the next Business Day.

1.4 Accounting Standards

Any accounting practice or concept relevant to this agreement is to be construed or determined in accordance with the Accounting Standards.

1.5 Code of Banking Practice

The Banking Code of Practice (2020) does not apply to the Finance Documents, any transaction under them or any banking service provided under them.

1.6 Financier's limitation of liability

(a) The Financier enters into each Finance Document to which it is a party only in its capacity as trustee for the Marshall Investments MIG Trust ABN 51 605 110 090 (**Financier Trust**) and in no other capacity and each reference to 'Financier' in a Finance Document is to that entity only in its capacity as trustee for the Financier Trust and in no other capacity.

(b) A liability arising under or in connection with, and a reference to a Financier in a Finance Document or the Financier Trust is limited to and can be enforced against the Financier only to the extent to which it can be and is in fact satisfied out of the assets of the Financier Trust from which the Financier is actually indemnified for the liability. This limitation of the Financier's liability applies despite any other provision of this document or any other Finance Document and extends to all liabilities and obligations of the Financier in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this document, a Finance Document or the Financier Trust.

(c) No person may sue the Financier in any capacity other than as the trustee of the Financier Trust, including seeking the appointment of a receiver (except in relation to the assets of the Financier Trust), a liquidator, an administrator or any similar person to the Financier or proving in any liquidation, administration or arrangement of or affecting the Financier (except in relation to assets of the Financier Trust).

(d) The provisions of this clause shall not apply to any obligation or liability of the Financier to the extent that it is not satisfied because:

(i) under the trust deed for the Financier Trust or by operation of law, there is a reduction in the extent of the Financier's indemnification out of the assets of the Financier Trust as a result of the Financier's failure to properly perform its duties as trustee of the Financier Trust; or

(ii) of its fraud, gross negligence, unlawful act or omission or wilful default, or as a consequence of its breach of trust or failure to properly perform or exercise its powers or duties in relation to the Financier Trust.

(e) Nothing in clause 1.6(d) shall make the Financier liable to any claim for an amount greater than the amount which a party would have been able to claim and recover from the assets of the Financier Trust in relation to the relevant liability if the Financier's right of indemnification out of the assets of the Financier Trust had not been prejudiced by failure to properly perform its duties.

(f) The Financier is not obliged to do or refrain from doing anything under this document (including incur any liability) unless its liability is limited in the same manner as set out in this clause.

2. Conditions to Utilisation

2.1 Conditions precedent - Tranche 1

The Financier is not obliged to provide the first Utilisation unless the Financier has received all of the conditions precedent set out in Schedule 2 in a form and of a substance satisfactory to the Financier.

2.2 Conditions subsequent

(a) On or before the date that is 10 Business Days after the first Utilisation for Tranche 1, the Borrower must provide to the Financier a legal opinion from a lawyer admitted to practice law in the United States of America regarding the enforceability of the Guarantee and Indemnity under the laws of the state of New York.

(b) On or before 11 January 2022, the Borrower must provide to the Financier, evidence that:

(i) Cape Byron Management Pty Ltd ACN 165 320 445 has obtained the written consent of Sunshine Sugar under the Head Lease to enter into the Peppercorn Site License (as each of those terms are defined in the PPA) and has provided a copy of such consent to the Borrower; and

(ii) Cape Byron Management Pty Ltd ACN 165 320 445 has obtained the consent of Essential Energy under the Connection Agreement to increase the PAUX in Schedule 7 of the Connection Agreement to 24.5MW (as each of those terms are defined in the PPA) and has provided a copy of such consent to the Borrower.

2.3 Conditions precedent - Tranche 2

The Financier is not obliged to provide the first Utilisation unless the Financier has received all of the following: in a form and of a substance satisfactory to the Financier:

(a) **Conditions precedent Tranche 1**: each Condition Precedent set out in Schedule 2 has been and remains satisfied; and

(b) **purpose**: evidence that the Utilisation be used as the final payment for the Machine orders (including, if requested by the Financier, confirmation from the manufacturer or supplier of the Machines that the Machines are ready to be delivered or shipped, and that title has passed to the Borrower, once final payment is made).

2.4 Conditions precedent - Tranche 3

The Financier is not obliged to provide the first Utilisation unless the Financier has received all of the following: in a form and of a substance satisfactory to the Financier:

(a) **Conditions precedent Tranche 1 and Tranche 2**: each Condition Precedent set out in Schedule 2 and clause 2.3 has been and remains satisfied.

2.5 Conditions precedent to all Utilisations

Without limiting any other provision of this agreement, the Financier is not obliged to provide any Utilisation under a Tranche unless the following conditions are fulfilled to the Financier's satisfaction:

(a) **Utilisation Notice**: the Borrower has delivered a duly completed, executed and effective Utilisation Notice to the Financier requesting the Utilisation;

(b) **Utilisation Date**: the Utilisation Date for the Utilisation is a Business Day within the Availability Period for that Tranche;

(c) **Tranche Commitment**: the Principal Outstanding of all outstanding Utilisations under that Tranche after providing that Utilisation and any other Utilisation to be provided under that Tranche on that day will not be greater than the Tranche Commitment for that Tranche;

(d) **no Default**: no Default has occurred which is continuing and no Default will result from the Utilisation being provided, including that no event or series of events has occurred which has had, or is likely to have, a Material Adverse Effect; and

(e) **fees and expenses**: evidence that the Borrower has paid (or will cause to be paid) all fees and expenses due to the Financier and the Financier's consultants and legal advisers which are required to be paid on or before the date of the Utilisation.

2.6 Certified copies

(a) An Authorised Officer of the Borrower must deliver a certificate to the Financier confirming that each copy of a document given to the Financier under clause 2.1 to be a true, complete and up-to-date copy of the original document and that the original document is in full force and effect.

(b) The certification must be made no more than five Business Days before the date on which it is provided.

2.7 Benefit of conditions precedent and notice of satisfaction

A condition in this clause 2 is for the benefit only of the Financier and only the Financier may waive it.

3. Facility and Commitment

3.1 Facility

Subject to the terms of this agreement, the Financier will lend to the Borrower a single Loan for each Tranche in Dollars in an aggregate amount not exceeding the Commitment.

3.2 Purpose

(a) The Borrower must use the net proceeds of a Utilisation as follows:

(i) working capital in the ordinary course of the Borrower's business;

(ii) from time to time, capital expenditure in accordance with the Financial Model; or

(iii) for any other purpose that the Financier approves.

(b) The Financier is not bound to monitor or verify the application of any Utilisation under this agreement.

3.3 Anti-Money Laundering

(a) The Borrower agrees that the Financier may delay, block or refuse to process its participation in any transaction under this agreement in which the Financier is otherwise required to participate without incurring any liability if the Financier knows, or has reasonable grounds to suspect that:

(i) the transaction breaches any laws or regulations in Australia or any other country connected with the transaction;

(ii) the transaction involves any person (natural, corporate or governmental) that is itself sanctioned or is connected, directly or indirectly, to any person that is sanctioned under economic and trade sanctions imposed by Australia, the United States, the European Union or any other country connected with the transaction; or

(iii) the transaction directly or indirectly involves the proceeds of, or be applied for the purposes of, conduct which is unlawful in Australia or any other country connected with the transaction.

(b) The Borrower must provide all information to the Financier which the Financier reasonably requires in order to manage its anti-money laundering, counter terrorism financing or economic and trade sanctions risk or to comply with any laws or regulations in Australia or any other country. The Borrower agrees that the Financier may disclose any information concerning the Borrower to:

(i) any law enforcement, regulatory agency or court where required by any such law or regulation in Australia or elsewhere; and

(ii) any correspondent the Financier uses to make the payment for the purpose of compliance with any such law or regulation.

(c) Unless the Borrower has disclosed that it is acting in a trustee capacity or as an agent on behalf of another party, the Borrower warrants that it is acting on its own behalf in entering into this agreement.

(d) The Borrower declares and undertakes to the Financier that the processing of any transaction by the Financier in accordance with the Borrower's instructions will not breach any laws or regulation in Australia or any other country.

4. Utilisations

4.1 Delivery of Utilisation Notice

If the Borrower requires the provision of a Utilisation it must deliver to the Financier an effective Utilisation Notice duly completed and signed by an Authorised Officer of the Borrower.

4.2 Requirements for a Utilisation Notice

A Utilisation Notice, to be effective, must:

(a) be in writing in the form of, and specifying the matters required in, Schedule 3;

(b) be duly executed by an Authorised Officer of the Borrower;

(c) request Utilisations only in compliance with this agreement; and

(d) be received by the Financier before 11.00 am on a Business Day at least five Business Days before the proposed Utilisation Date (or any shorter period that the Financier agrees in writing).

4.3 Provision of Loan

If the Borrower gives an effective Utilisation Notice for a Loan, the Financier must subject to this agreement provide to the Borrower the specified Loan in Same Day Funds in Dollars no later than noon on the specified Utilisation Date and in accordance with that Utilisation Notice.

5. Costs of Utilisation and fees

5.1 Interest

(a) The Borrower must pay interest on each Interest Payment Date on the principal amount of each Loan for each Interest Period at the Interest Rate for the applicable Interest Period.

(b) Interest is calculated on daily balances on the basis of a 365 day year and for the actual number of days elapsed from and including the first day of each Interest Period to, but excluding, the last day of the Interest Period or, if earlier, the date of prepayment or repayment of the Loan under this Agreement.

(c) Subject to clause 5.1(d), the Payment Schedule shows the amounts of interest payable by the Borrower, which, when paid, will satisfy the Borrower's obligations under this clause 5.1 (but not, for the avoidance of doubt, clause 5.2).

(d) For the avoidance of doubt, interest has been calculated in accordance with the Payment Schedule as if the Commitment was drawn down in full by the Borrower on the date of the first Utilisation. Actual interest payable by the Borrower will depend on the date of the first Utilisation and the amount drawn on that date. Following the Commitment being drawn in full, the Borrower and the Financier will update the Payment Schedule to reflect the actual date of drawdown of the first Utilisation and the monthly interest payable.

5.2 Default interest

(a) While an Event of Default is subsisting, interest will accrue on all the Secured Moneys due and payable but unpaid at the Overdue Rate rather than the Interest Rate, under clause 5.1.

(b) The interest payable under this clause 5.2 accrues from day to day from and including the date on which the Event of Default first occurred until the later of:

(i) the date on which the Event of Default has been rectified to the reasonable satisfaction of the Financier;

(ii) the date on which the Financier makes a declaration under clause 13.2(a); and

(iii) the Termination Date.

(c) The rate of interest payable under this clause 5.2 on any part of the Secured Moneys is capitalised monthly at the Overdue Rate.

5.3 Default Management fee

If an Event of Default occurs the Borrower must pay to the Financier a non-refundable default management fee specified in Item 5 of the Details Schedule.

5.4 Establishment fee

(a) The Borrower must pay to the Financier on the date of the first Utilisation of each Tranche a non-refundable establishment fee in the amount specified in Item 4 of the Details Schedule for that Tranche.

(b) The Financier acknowledges that the Borrower has paid $20,000 (including GST) of the establishment fee prior to the date of this Agreement.

5.5 Survival

This clause 5 and any other provisions of this agreement necessary or desirable for its interpretation survive the repayment of the Secured Moneys or termination, amendment, supplementation or extension of this agreement.

6. Repayment and prepayment

6.1 Final repayment of Facility

The Borrower must in respect of a Tranche repay the Loan under the Tranche and all other Secured Moneys in relation to the Tranche:

(a) in full on the Termination Date for the Tranche; and

(b) otherwise as required under this agreement and in accordance with the Payment Schedule.

6.2 Amortisation

The Borrower must repay the Principal Outstanding in the consecutive monthly instalments that are specified in the Payment Schedule (each instalment calculated on the basis of the Principal Outstanding on the relevant 'Date' in the Payment Schedule) on the last day of each calendar month commencing on the last day of the calendar month falling 12 months after the calendar month in which the Utilisation Date of Tranche 1 occurs.

6.3 Inconsistency

In the event of any inconsistency between the Payment Schedule and any other provision of this agreement, the Payment Schedule prevails.

6.4 Mandatory prepayments

(i) The Borrower must repay the Secured Moneys from the proceeds of any compensation received by the Borrower for, or in respect of, any partial or total nationalisation, expropriation, compulsory purchase, requisition or resumption of any of its assets or any interest in its assets..

(b) The Borrower must repay the Secured Moneys in full if:

(i) the Borrower notifies the Financier in writing under clause 12.3(j) (**Control Event Notice**);

(ii) the Borrower and the Financier negotiate for a period of 10 Business Days after the Financier receives the Control Event Notice (**Control Event Negotiation Period**), which negotiations will be without prejudice to the Financier's discretion to give a Relevant Notice under clause 6.4(b)(iii); and

(iii) the Financier gives a notice (**Relevant Notice**) to the Borrower no later than 10 Business Days after the expiry of the Control Event Negotiation Period in which the Financier states that the Control Event described in the Control Event Notice is not satisfactory to the Financier; and

(iv) the relevant Control Event referred to in the Control Event Notice subsequently occurs, in which case the Borrower must repay the Secured Moneys immediately upon the Control Event occurring.

A Relevant Notice when given is final and binding on the Borrower. The Financier may give a Relevant Notice in its discretion and need not provide details or reasons for giving the Relevant Notice.

(c) A repayment under clause 6.4(i) must be made promptly, and in any event within five Business Days after receipt of the relevant proceeds.

(d) A repayment under clause 6.4(b) must be made within 20 Business Days after the later of the date of the Relevant Notice and the date on which the relevant Control Event subsequently occurs.

(e) An amount prepaid under this clause 6.40 may not be redrawn.

(f) Any amount mandatorily prepaid under this clause 6.4 will be applied to reduce the subsequent repayment instalments set out in the Payment Schedule on a pro rata basis.

6.5 Voluntary prepayment

(a) Subject to the operation of clause 6.7, the Borrower may prepay the whole or any part of the Principal Outstanding without penalty or break costs by giving the Financier at least three Business Days' prior written notice specifying the prepayment date.

(b) The Borrower must prepay the Principal Outstanding specified in the prepayment notice on the prepayment date specified in the notice together with all unpaid interest accrued under this agreement to the prepayment date in respect of the prepaid amount (for the avoidance of doubt 'unpaid interest' includes interest and fees that have capitalised and that form part of the Principal Outstanding and any fee payable under clause 6.7, provided that payment of any fee payable under clause 6.7 will discharge the obligation to pay unpaid interest in respect of the amount prepaid).

(c) A notice given under clause 6.5(a) is irrevocable.

(d) Nothing in this clause 6.5 affects the Borrower's obligations under clause 6.1.

(e) The Commitment is reduced by any amount of Principal Outstanding which is prepaid under this clause 6.5.

(f) Any amount voluntarily prepaid under this clause 6.5 will be applied to reduce the subsequent repayment instalments set out in the Payment Schedule on a pro rata basis.

6.6 Prepayment date

The Borrower may make a prepayment under clause 6.5 on any Business Day.

6.7 Minimum Interest

(a) In this clause 6.7, **'Relevant Date'** means, in respect of a Tranche, the earlier to occur of:

(i) the date on which the Principal Outstanding for that Tranche is repaid in full or the Commitment is or is required to be reduced to zero for any reason including:

(A) the Borrower or another person on its behalf has made a prepayment or repayment; or

(B) the Financier has required any Obligor to repay all of the Secured Moneys in accordance with the terms of this agreement or any other Finance Document,

(ii) the Termination Date.

(b) The Borrower must on the Relevant Date in respect of a Tranche, pay to the Financier interest calculated as follows:

(i) an amount equal to the Minimum Interest as specified in Item 6 of the Details Schedule for that Tranche; minus

(ii) an amount equal to the interest that has been actually received by the Financier to and including the Relevant Date for that Tranche.

If the amount is a negative number, it is taken to be zero and no interest is payable by the Borrower.

(c) Nothing in this clause 6.7 affects a Borrower's obligations under clause 6.1, or 6.5.

6.8 Illegality

(a) If any Change in Law or other event makes it illegal or impossible for the Financier or the Borrower to perform its obligations under the Finance Documents in respect of a Tranche or fund or maintain its Commitment under a Tranche, the Financier may by notice to the Borrower:

(i) suspend its obligations under the Finance Documents in respect of that Tranche for the duration of the illegality or impossibility; or

(ii) by notice to the Borrower, cancel its Tranche Commitment under that Tranche and require the Borrower to repay the Secured Moneys under that Tranche in full on the date which is 180 Business Days after the date on which the Financier gives the notice or any earlier date required by, or to comply with, the applicable law, regulation, treaty, order or official directive. If the nature of the illegality requires repayment on an earlier date, the parties will negotiate in good faith to explore the means by which this may be achieved.

(b) A notice under clause 6.8(a)(ii) in respect of a Tranche is irrevocable and the Borrower must, on the repayment date determined under clause 6.8(a)(ii), pay to the Financier the Secured Moneys in respect of that Tranche in full.

6.9 Mitigation by the Financier

(a) The Financier, in consultation with the Borrower, must take all reasonable steps to mitigate any circumstances which would result in any amount becoming payable or any Commitment being cancelled under any of clause 6.8, or 7.1 (including transferring its rights and obligations under the Finance Documents to a related entity of the Financier).

(b) The Financier is not obliged to take any steps under clause 6.9(a) if, in its opinion (acting reasonably), to do so might be prejudicial to it.

(c) The Borrower indemnifies the Financier for all costs and expenses reasonably incurred by the Financier as a result of steps taken by it under clause 6.9(a).

(d) Clause 6.9(a) does not limit the obligations of the Borrower under the Finance Documents.

7. Additional costs of Utilisation relating to Tax

7.1 Payments in gross

All payments which the Borrower is required to make under any Finance Document must be without:

(a) any set-off, counterclaim or condition; or

(b) any deduction or withholding for or on account of any Tax or any other reason unless the Borrower is required to make a deduction or withholding by applicable law.

7.2 Additional payments for Tax Deductions

If the Borrower is required by law to make a Tax Deduction from any payment to be made to the Financier under any Finance Document then, subject to clause 7.4, the Borrower must pay to the Financier an additional amount which the Financier determines to be necessary to ensure that the Financier receives when due a net amount (after payment of any Tax, other than an Excluded Tax) in respect of each additional amount) that is equal to the full amount it would have received if no Tax Deduction had been made.

7.3 Indemnity for Tax

Subject to clause 7.5, if the Financier is, or will be, required to pay any Tax in respect of any payment it receives or it is to receive, or for the purposes of Tax it is deemed to have received, from the Borrower under a Finance Document, the Borrower must, within three Business Days of demand by the Financier, pay to the Financier an amount equal to the loss, liability or cost which the Financier determines will be, or has been, directly or indirectly suffered by the Financier for or on account of that Tax.

7.4 Exclusions

No Tax Payment is payable to the Financier under clause 7.2:

(a) if and to the extent the Tax Deduction is in respect of an Excluded Tax;

(b) if and to the extent that the obligation to make the Tax Deduction is caused by the Financier's failure to perform any administrative act which:

(i) if performed, would excuse the Borrower from (or reduce the extent of) an obligation to make the relevant deduction or withholding;

(ii) is not able to be performed by the Borrower and is able to be performed by the Financier; and

(iii) is normally performed in similar circumstances by responsible financial institutions in the relevant jurisdiction;

(c) if and to the extent that the obligation to make the Tax Deduction is caused by the Financier's failure to comply with any obligation under this agreement for it to provide Utilisations; or

(d) if the Tax Deduction is required to be made as a result of any representation or warranty given by the Financier being untrue or incorrect.

7.5 Exclusions for Tax indemnity

Clause 7.3 does not apply, and no amount is payable by the Borrower under clause 7.3:

(a) with respect to any Excluded Tax; or

(b) to the extent the relevant loss, liability or cost is compensated for by a payment of a claim under clause 7.2.

7.6 Taxation Deduction notice and procedures

(a) If the Borrower becomes aware that it must make a Tax Deduction to which clause 7.2 applies or that there is any change in the rate, or the basis, of such a Tax Deduction, it must notify the Financier.

(b) If clause 7.2 applies, the Borrower must pay the Tax Deduction to the appropriate Government Agency as required by law.

(c) If clause 7.2 applies, the Borrower must:

(i) use reasonable endeavours to obtain a payment receipt from the Government Agency (and any other documentation ordinarily provided by the Government Agency in connection with the payment); and

(ii) within two Business Days after receipt of the documents referred to in clause 7.6(c)(i), deliver copies of them to the Financier.

7.7 Tax Credit

If the Borrower makes a Tax Payment for the benefit of the Financier, and the Financier determines in its absolute discretion that:

(a) a Tax Credit is attributable to that additional payment; and

(b) the Financier has obtained, utilised and retained that Tax Credit,

then the Financier must pay an amount to the Borrower which the Financier determines in its absolute discretion will leave it (after that payment) in the same after Tax position as it would have been in had the circumstances not arisen which caused the Tax Payment to be required to be made by the Borrower. The Financier must use reasonable endeavours to determine whether a Tax Credit is attributable to the additional payment.

7.8 Tax affairs

Nothing in clause 7.7:

(a) interferes with the right of the Financier to arrange its tax affairs in any manner it thinks fit;

(b) obliges the Financier to investigate the availability of, or claim, any Tax Credit, however the Financier must use reasonable endeavours to determine whether a Tax Credit is available and must act reasonably if it so determines; or

(c) obliges the Financier to disclose any information relating to its tax affairs or any tax computations.

7.9 Indirect Tax

(a) All payments to be made by a recipient to a supplier under or in connection with the Finance Documents have been calculated without regard to Indirect Tax. If all or part of any such payment is the consideration for a taxable supply or chargeable with Indirect Tax then, when the recipient makes the payment:

(i) it must pay to the supplier an additional amount equal to that payment (or part) multiplied by the appropriate rate of Indirect Tax; and

(ii) the supplier will promptly (and in any event within five days) provide to the recipient a tax invoice complying with the relevant law relating to that Indirect Tax.

(b) Where a Finance Document requires a recipient to reimburse a supplier for any costs or expenses, that recipient shall also at the same time pay and indemnify that supplier against all Indirect Tax incurred by that supplier in respect of the costs or expenses save to the extent that that supplier or its representative member is entitled to repayment or credit in respect of the Indirect Tax (including an input tax credit). The supplier will promptly provide to the recipient a tax invoice complying with the relevant law relating to that Indirect Tax.

(c) If it is determined on reasonable grounds that the amount of Indirect Tax paid or payable by the supplier to the relevant Government Agency in connection with a supply differs for any reason from the amount of Indirect Tax recovered or recoverable from the recipient, the amount of the difference must be paid by, refunded to or credited to the recipient, as the case may be, so long as an appropriate tax invoice or adjustment note is provided.

7.10 Tax on documents

(a) The Borrower must pay any Tax (other than an Excluded Tax in respect of the Financier and any Tax paid or compensated in full under any other provision of the Finance Documents) which is payable in respect of a Finance Document (including in respect of the execution, delivery, performance, release, discharge, amendment or enforcement of a Finance Document).

(b) The Borrower must pay any fine, penalty or other cost in respect of a failure to pay any Tax described in clause 7.10(a) except to the extent that the fine, penalty or other cost is caused by the Financier's failure to lodge money which it has received from the Borrower at least 10 Business Days before the due date for lodgement.

(c) The Borrower indemnifies the Financier on demand against any amount payable under clause 7.10(a) or 7.10(b).

8. Other additional costs of Utilisation

8.1 Costs and expenses

The Borrower must pay all costs and expenses (which for the categories in paragraphs (a), (b), (d) and (e) must be reasonable) of the Financier in relation to :

(a) the negotiation, preparation, execution, delivery, stamping, registration, completion, variation, release and discharge of any Finance Document;

(b) the negotiation, preparation, execution, delivery, completion, registration and lodgement of any form or other ancillary document in connection with the registration or perfection of any Finance Document;

(c) the enforcement, attempted enforcement, protection or waiver of any rights or Powers under any Finance Document;

(d) the consent or approval of the Financier given or sought under any Finance Document; and

(e) any enquiry by a Government Agency involving or in relation to the Borrower, any transaction contemplated by the Finance Documents or the Secured Property, but excluding any enquiry by a Government Agency which relates to the Financier or its business generally or to the Borrower only because it is a borrower of the Financier,

including:

(f) any administration costs of the Financier in relation to the matters described in clauses 8.1(a) to 8.1(e); and

(g) any legal costs and expenses and any professional consultant's fees (subject to any agreed cap), on a full indemnity basis and without the necessity for any taxation or assessment.

8.2 Borrower to bear cost

Any thing which must be done by the Borrower under any Finance Document, whether or not at the request of the Financier, must be done at the cost of the Borrower.

9. Indemnities

9.1 General indemnity

(a) The Borrower indemnifies the Financier against any Loss (other than any Loss incurred by the Financier due to its fraud, negligence or wilful default) which the Financier, a Receiver (whether acting as agent of the Borrower or of the Financier) or an Attorney pays, suffers, incurs or is liable for, in respect of any of the following:

(i) a Utilisation required by a Utilisation Notice not being made for any reason including any failure by the Borrower to fulfil any condition precedent contained in clause 2, but excluding to the extent caused by any default by the Financier;

(ii) the occurrence of any Default;

(iii) the Financier validly exercising its Powers consequent upon or arising out of the occurrence of any Default;

(iv) the non-exercise, bona fide attempted exercise, exercise or delay in the exercise of any Power;

(v) any act or omission of the Borrower or any of its employees or agents;

(vi) the occupation, use or ownership of any Secured Property by the Borrower or any of its employees or agents;

(vii) any compulsory acquisition or statutory or judicial divestiture of any Secured Property;

(viii) any other thing in respect of a Security or any Secured Property;

(ix) any prepayment referred to in a notice delivered under clause 6.5 not being made on the relevant prepayment date for any reason;

(x) the Financier acting in connection with a Finance Document in good faith on written or telephone instructions purporting to originate from the offices of the Borrower to be given by an Authorised Officer of the Borrower; and

(xi) any enquiry, investigation, subpoena (or similar order) or litigation with respect to the Borrower or with respect to the transactions contemplated or financed under this agreement.

9.2 Continuing indemnities and evidence of loss

(a) Each indemnity of the Borrower in a Finance Document is a continuing obligation of the Borrower, despite any settlement of account or the occurrence of any other thing, and remains in full force and effect until the Secured Moneys are fully and finally repaid and each Security has been finally discharged.

(b) Each indemnity of the Borrower in a Finance Document is an additional, separate and independent obligation of the Borrower and no one indemnity limits the general nature of any other indemnity.

(c) Each indemnity of the Borrower in a Finance Document survives the termination of any Finance Document.

(d) A certificate given by an Authorised Officer of the Financier detailing the amount of any Loss covered by any indemnity in a Finance Document is sufficient evidence unless the contrary is proved.

10. Payment mechanics

10.1 Manner of payment

All payments by the Borrower under the Finance Documents must be made:

(a) in Same Day Funds;

(b) in the Relevant Currency;

(c) no later than 11.00am in the place of payment on the due date,

to the Financier's account as specified by the Financier to the Borrower or in any other manner the Financier directs from time to time.

10.2 Payments on a Business Day

If a payment is due on a day which is not a Business Day, the due date for that payment is the next Business Day in the same calendar month or, if none, the preceding Business Day, and interest must be adjusted accordingly.

10.3 Amounts payable on demand

If any amount payable by the Borrower under any Finance Document is not expressed to be payable on a specified date, that amount is payable by the Borrower within 3 days of written demand by the Financier.

10.4 Appropriation of payments

(a) Except where clause 10.4(b) applies, all payments made by the Borrower under this agreement may be appropriated as between principal, interest and other amounts as the Financier determines or, failing any determination, in the following order:

(i) first, towards reimbursement of all fees, costs, expenses, charges, damages and indemnity payments due and payable by the Borrower under the Finance Documents;

(ii) second, towards payment of interest due and payable under the Finance Documents; and

(iii) third, towards repayment or prepayment of the Principal Outstanding.

(b) Any money recovered by the Financier under, or as a result of the exercise of a Power under, a Security must be appropriated in the manner provided in that Security.

(c) Any appropriation under clauses 10.4(a) or 10.4(b) overrides any appropriation made by an Obligor .

10.5 Rounding

The Financier may round amounts to the nearest unit of Relevant Currency in making any allocation or appropriation under the Finance Documents.

10.6 Currency exchanges

If the Financier receives an amount under a Finance Document in a currency which is not in the Relevant Currency, the Financier:

(a) may convert the amount received into the Relevant Currency in accordance with its normal procedures; and

(b) is only regarded as having received the amount that it has converted into the Relevant Currency.

10.7 Waiver

The Borrower waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than the Relevant Currency for that amount.

10.8 No discharge

Payment of an amount in a currency other than the Relevant Currency for that amount does not discharge that amount except to the extent of the amount of Relevant Currency actually obtained when the recipient converts the amount received into the Relevant Currency.

11. Representations and warranties

11.1 Representations and warranties

The Borrower represents and warrants to and for the benefit of the Financier that:

(a) **registration**: it is a corporation registered (or taken to be registered) and validly existing under the Corporations Act;

(b) **corporate power**: it has the corporate power to own its assets and to carry on its business as it is now being conducted;

(c) **authority**: it has power and authority to enter into and perform its obligations under the Transaction Documents to which it is expressed to be a party;

(d) **authorisations**: it has taken all necessary action to authorise the execution, delivery and performance of the Transaction Documents to which it is expressed to be a party;

(e) **binding obligations**: the Transaction Documents to which it is expressed to be a party constitute its legal, valid and binding obligations and, subject to any necessary stamping and registration, are enforceable in accordance with their terms subject to laws generally affecting creditors' rights and to principles of equity;

(f) **transaction permitted**: the execution, delivery and performance by it of the Transaction Documents to which it is expressed to be a party will not breach, or result in a contravention of:

(i) any law, regulation or Authorisation;

(ii) its constitution or other constituent documents; or

(iii) any Security Interest or agreement which is binding it,

where such breach or contravention will have or be likely to have a Material Adverse Effect and will not result in:

(iv) the creation or imposition of any Security Interest on any of its assets other than as permitted under a Finance Document; or

(v) the acceleration of the date for payment of any obligation under any agreement which is binding on it;

(g) **Authorisations**: each Authorisation which is required and able to be obtained at the applicable time, in respect of:

(i) the execution, delivery and performance by it of the Transaction Documents; and

(ii) its business as now being conducted or contemplated,

where such breach or contravention will have or be likely to have a Material Adverse Effect has been obtained and effected and each such Authorisation is in full force and effect and has been complied with in all material respects;

(h) **compliance with law**: to the best of its knowledge, it has complied with all laws binding on it where failure to do so will have or be likely to have a Material Adverse Effect;

(i) **financial information**: the most recent Financial Reports or accounts which the Borrower has provided to the Financier under clause 12.1:

(i) in the case of the annual financial statement give a true and fair view of the financial condition and state of affairs of the Group in all material respects as at the date they were prepared and in the case of any other financial statements given under this agreement, fairly represent its financial condition and state of affairs in all material respects as at the date they were prepared; and

(ii) were prepared in accordance with the Accounting Standards;

(j) **no change in affairs**: there has been no change in its state of affairs since the end of the accounting period for the most recent Financial Reports or accounts, referred to in clause 11.1(i) which has had or is likely to have a Material Adverse Effect;

(k) **representations true**: each of its representations and warranties contained in the Transaction Documents is correct in all material respects and not misleading in any material respect when made or repeated;

(l) **disclosure**: to the best of its knowledge, all information including information provided in the Sharepoint Folder (other than budgets and forecasts) provided to the Financier by or on its behalf in relation to it, its assets, business or affairs or the Transaction Documents was correct in all material respects and not misleading (by omission or otherwise) in all material respects as at the time it was provided;

(m) **no failure to disclose**: to the best of its knowledge, it has not withheld from the Financier any information which would reasonably be expected to be material to the decision of the Financier to enter into the Finance Documents to which the Financier is a party;

(n) **legal and beneficial owner**: it is the legal and beneficial owner of its Secured Property;

(o) **no Security Interests or other interests**:

(i) there is no Security Interest over any of its Secured Property other than a Permitted Security Interest; and

(ii) no person holds an interest in its Secured Property other than under a Permitted Security Interest;

(p) **no Finance Debt**: no person is owed Finance Debt by the Borrower other than Permitted Finance Debt;

(q) **not a trustee**: it does not enter into any Transaction Document as trustee of any trust or settlement;

(r) **commercial benefit**: the entering into and performance by it of its obligations under the Transaction Documents to which it is expressed to be a party is for its commercial benefit and is in its commercial interests and for a proper purpose;

(s) **Group Structure**:

(i) the Borrower and the Guarantor's only Subsidiaries are listed in the Group Structure Diagram;

(ii) the Group Structure Diagram is true and correct in all respects and does not omit any material information or details;

(t) **no proceedings**: no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which is reasonably likely to be adversely determined and if adversely determined might reasonably be expected to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it in writing;

(u) **tax consolidation**: it is not a member of a Tax Consolidated Group for which the Head Company (as defined in the Tax Act) is the Borrower;

(v) **solvency**: it is

(i) solvent within the meaning of section 95A of the Corporations Act and it will not become insolvent as a result of entering into and performing its obligations under the Finance Documents; and

(ii) able to pay its debts as and when they fall due out of its own money;

(w) **ranking**: its payment obligations under this agreement rank, and will continue to rank at all times, at least equally with all its other present and future unsecured and unsubordinated payment obligations (including contingent obligations), other than those which are mandatorily preferred by law; and

(x) **no immunity**: it does not, nor do its assets, enjoy immunity from any suit or execution;

(y) **Material Documents**:

(i) to the best of its knowledge all Material Documents are valid, binding and enforceable unless they have terminated through performance or the effluxion of time; and

(ii) the Borrower has complied with all of its material obligations under each Material Document;

(z) **Fully Diluted Capital**: will be, immediately following a request by the Financier to exercise its rights under the Subscription Agreement (and, for the avoidance of doubt, such request by the Financier may be made at any time following execution of the Subscription Agreement by all parties to that agreement), the number of Shares that represents that Fully Diluted Capital will be follows:

Shareholder	No. Shares	Shareholding
Mawson Infrastructure Group Pty Ltd ACN 636 458 912	315,000 Shares	90%
Marshall Investments MIG Pty Ltd ACN 655 680 256	35,000 Shares	10%
Total	350,000 Shares	100%

(aa) **intellectual property**:

(i) it owns or has the right to use all Intellectual Property Rights which are necessary tor the operation of the software and applications which are the subject of its business; and

(ii) it does not infringe any Intellectual Property rights of any third party in any material respect.

11.2 Survival and repetition of representations and warranties

The representations and warranties given under this agreement:

(a) survive the execution of each Finance Document; and

(b) (except for the representations and warranties in clauses 11.1(l) and 11.1(m)) are repeated on each Utilisation Date and Interest Payment Date and, in the case of a revised Financial Model and each revised budget delivered under clause 12.1(e) is repeated when it is delivered to the Financier, with respect to the facts and circumstances then subsisting.

11.3 Reliance by Financier

The Borrower acknowledges that the Financier has entered into each Finance Document to which it is a party in reliance on the representations and warranties given under this agreement.

12. Undertakings

12.1 Provision of information and reports

The Borrower must provide to the Financier the following:

(a) **Monthly management accounts**: no later than 30 days after the end of each calendar month, copies of the consolidated management accounts of the Borrower and its Subsidiaries for that calendar month;

(b) **Operational reports**: no later than 30 days after the end of each calendar month, copies of the operational reports for the Borrower;

(c) **Bank accounts**: within 2 Business Day of a request by the Financier, a screen shot of all deposit accounts (including the Borrower's Operating Account) opened with a bank in the name of the Borrower;

(d) **Board minutes**: no later than 5 days after a meeting of the board members of the Borrower, a copy of the minutes of the board meeting or circulating resolutions (or extracts thereof) certified by the Company Secretary of the Borrower to be a true, complete and up-to-date copy of the original document and that the resolutions contained therein are in full force and effect;

(e) **Financial Model:**

(i) no later than 60 days after the date of this agreement, a financial model for the Group and its business in electronic format;

(ii) if the Borrower identifies that the current Financial Model is incorrect in any material way or inconsistent with the budget and projections provided under clause 12.1(f), a new Financial Model as soon as practicable;

(f) **Budget and financial projections:** no later than 1 July annually, copies of the annual budget and financial projections for that financial year together with evidence of approval by the board of the Borrower;

(g) **Audited Financial Statements:** within 120 days of the end of a financial year, copies of the audited financial statements for the Group for that financial year;

(h) **Compliance Certificate**: together with the documents provided under clause 12.1(a), a Compliance Certificate;

(i) **directors' certificate**: at the Financier's request, a certificate signed by at least two directors of the Borrower stating:

(i) if a Default has occurred; and

(ii) if so, full details of the relevant Default and the remedial action being taken or proposed;

(j) **Group Structure Diagram**: an updated Group Structure Diagram before each occasion that the then current Group Structure Diagram would become incorrect or misleading;

(k) **know your client**: promptly following a request by the Financier, provide to the Financier all information which it requires in order to manage its money-laundering, terrorism-financing or economic or trade sanctions risk or to comply with any laws or regulations in Australia or elsewhere, the Borrower agrees that the Financier may disclose any information concerning the Borrower to any law enforcement, Government Agency or court where required to do so by any such law or regulation; and

(l) **other information**: promptly on request, any other information which the Financier reasonably requests in relation to it or any of its businesses or its assets (in each case to the extent permitted by law relating to such information).

12.2 Proper accounts

The Borrower must keep accounting records which give a true and fair view of its financial condition and state of affairs and ensure that the accounts it provides under clause 12.1 are prepared in accordance with the Accounting Standards.

12.3 Notices to the Financier

The Borrower must notify the Financier as soon as practicable after it becomes aware of:

(a) any Default occurring;

(b) any change in its directors or the termination or appointment of any Authorised Officer of it (in the latter case together with an Authorised Officers Certificate duly completed and executed);

(c) any proposed issue of Marketable Securities;

(d) any material breach of, or default under, any Material Document to which it is a party;

(e) any intention by it to exercise any right, power or remedy under any Material Document to which it is a party as a consequence of any default under it;

(f) any litigation, arbitration, administration or other proceeding in respect of it or any of its assets being commenced or threatened which is either:

(i) in excess of $250,000; or

(ii) if adversely determined would have or be likely to have a Material Adverse Effect;

(g) any Security Interest (other than any Permitted Security Interest) that exists over any of its assets;

(h) any proposal of any Government Agency to compulsorily acquire or resume any of its assets or to require any of its assets to be sold, vested or divested;

(i) the acquisition by it of a Subsidiary;

(j) the occurrence of any Control Event in respect of the Borrower or intention to effect or facilitate a Control Event in respect of the Borrower;

(k) the occurrence of any Control Event; and

(l) the acquisition by it or any of its Subsidiaries of any material interest in real property.

12.4 Compliance

The Borrower must comply with all its obligations under each Transaction Document to which it is a party and ensure that no Event of Default occurs.

12.5 Maintenance of capital

The Borrower must not:

(a) pass a resolution under sections 254N or 260B of the Corporations Act;

(b) reduce or pass a resolution to reduce its capital other than by redeeming preference shares which constitute Permitted Finance Debt or with the Financier's prior written consent;

(c) buy-back or pass a resolution to buy-back, any of its shares other than by redeeming preference shares which constitute Permitted Finance Debt or with the Financier's prior written consent; or

(d) attempt or take any steps to do anything which it is not permitted to do under clauses 12.5(a), 12.5(b) or 12.5(c).

12.6 Compliance with laws and Authorisations

The Borrower must:

(a) comply with all laws and legal requirements, including each judgement, award, decision, finding or any other determination of a Government Agency, which applies to it or any of its assets where failure to do so will have or be likely to have a Material Adverse Effect;

(b) obtain, maintain and comply with all Authorisations required:

(i) for the enforceability against it of each Transaction Document to which it is a party, or to enable it to perform its obligations under each Transaction Document to which it is a party;

(ii) in relation to it or any of its assets where failure to do so will have or be likely to have a Material Adverse Effect; and

(c) not do anything which would prevent the renewal of any Authorisation referred to in clause 12.6(b) or cause it to be renewed on less favourable terms.

12.7 Material Documents

(a) The Borrower must not:

(i) amend or vary, or agree to an amendment or variation of;

(ii) terminate rescind or discharge (except by performance);

(iii) grant any waiver, time or indulgence in respect of any obligation under;

(iv) do or omit to do anything which may adversely affect the provisions or operation of; or

(v) do or omit to do anything which would give any other person legal or equitable grounds to do anything in clause 12.7(a)(i)-12.7(a)(iv) in respect of,

any Material Document to which it is a party where to do so would be likely to cause a Material Adverse Effect.

(b) The Borrower must do all things necessary to enforce all of its rights, powers and remedies under each Material Document to which it is a party.

12.8 Amendments to constitution

The Borrower must not amend its constitution or any other constituent document of it without the Financier's prior written consent (which consent must not be unreasonably delayed or withheld) where to do so would be likely to cause a Material Adverse Effect.

12.9 Negative pledge and disposal of assets

(a) The Borrower must not create or allow to exist or agree to any Security Interest over any of its assets other than a Permitted Security Interest.

(b) The Borrower must not acquire an asset which is, or upon its acquisition will be, subject to an Security Interest which is not a Permitted Security Interest.

(c) The Borrower must not sell, assign, transfer or otherwise dispose of, or part with possession of, or deal with or create an interest in any of its assets except:

(i) an asset which, at the time of the applicable dealing, is Disposable Property and then in, and only in, the ordinary course of business;

(ii) an asset (other than real property or an interest in real property or any other asset which at the applicable time is Disposable Property) which

is replaced by one or more assets having similar function and of comparable or superior type, value and quality or which is surplus to requirements;

(iii) a transaction which is a Relevant Event where the Borrower satisfies the Financier that upon completion of the Relevant Event the Financier will be repaid all of the Secured Money, and does so upon completion;

(iv) any Disposal to a Related Entity of the Borrower over whom the Financier holds an all assets Security Interest;

(v) unless with the prior consent of the Financier, disposal of assets in any one financial year with an aggregate value of less than $50,000 that are no longer required for the proper and efficient operation of the Group's business.

(d) The Borrower must not allow any other person to have a right or power to receive or claim any rents, profits, receivables, money or moneys worth (whether capital or income) in respect of its assets other than under a Security.

(e) The Borrower must not enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts in circumstances where the arrangement is in connection with:

(i) the raising of Finance Debt; or

(ii) the acquisition of an asset,

except for a netting or set-off arrangement in the ordinary course of its ordinary banking arrangements for the purpose of netting debit and credit balances, other than with the prior written consent of the Financier.

(f) The Borrower must not enter into any arrangement which, if complied with, would prevent the Borrower from complying with its obligations under the Finance Documents.

(g) If, by mandatory operation of law, this clause 12.9 may not prevent the Borrower creating an Security Interest:

(i) this clause 12.9 does not prevent the Borrower creating that Security Interest;

(ii) before that Security Interest is created the Borrower must ensure that the Financier receives the benefit of a deed of priority granting first ranking priority to each Security in a form and of substance required by the Financier; and

(iii) until that deed of priority is executed and delivered to the Financier, the Financier is not required to provide any further Utilisations.

12.10 Finance Debt

The Borrower must not incur any Finance Debt other than Permitted Finance Debt.

12.11 No change to business

The Borrower must not:

(a) engage in any business other than, or do anything which would result in substantial changes to, its existing core businesses and operations; or

(b) enter into any profit sharing arrangement in relation to its Secured Property or any partnership or joint venture with any other person without the Financier's written consent.

12.12 Financial accommodation

The Borrower must not provide any financial accommodation, or give any Guarantee in respect of any financial accommodation, to or for the benefit of any person, other than Permitted Financial Accommodation.

12.13 Acquisitions and subsidiaries

The Borrower must not:

(a) acquire or create a Subsidiary; or

(b) acquire any property or assets other than for the purposes of its existing core business,

without the prior consent of the Financier, unless immediately upon the acquisition or creation of the Subsidiary, property or asset the Borrower procures that a Security Interest is granted by the relevant Subsidiary over that Subsidiary, property or asset in favour of the Financier.

12.14 Restrictions on dealings

Except in relation to a transaction with a Related Company of the Borrower, the Borrower must not:

(a) enter into an agreement;

(b) acquire or dispose of an asset;

(c) obtain or provide a service;

(d) obtain a right or incur an obligation; or

(e) implement any other transaction,

with any person unless it does so on terms which are no less favourable to it than arm's length terms and where to do so would not be likely to cause a Material Adverse Effect.

12.15 Restrictions on Distributions and fees

The Borrower must not:

(a) make any Distribution other than a Permitted Distribution; or

(b) pay any director fees, management fees, consultancy fees or other like payments to any director, Associate, or Related Body Corporate of the Borrower unless those fees or other payments are:

(i) reasonable and are no more or less favourable than it is reasonable to expect would be the case if the relevant persons were dealing with each other at arm's length; or

(ii) paid with the Financier's prior consent.

12.16 Corporate existence and as merger

(a) The Borrower must do everything necessary to maintain its corporate existence and legal status as at the date of this agreement and must not transfer its jurisdiction of incorporation.

(b) The Borrower must not (and must ensure that no Subsidiary of the Borrower does) enter into any amalgamations, demergers, mergers or corporate reconstructions except as part of a Relevant Event.

12.17 Undertakings regarding Secured Property

The Borrower must:

(a) **maintenance of the Secured Property**:

(i) maintain and protect its Secured Property;

(ii) remedy every defect in its title to any part of its Secured Property; and

(iii) keep its Secured Property valid and subsisting and free from liability to forfeiture, cancellation, avoidance or loss;

(b) **Title documents**: deposit with the Financier, all the Title Documents in respect of:

(i) any shares the Borrower owns in its Subsidiaries, within 21 days from the date of the first Utilisation;

(ii) any of its Secured Property which is not at the applicable time Disposable Property immediately on:

(A) its execution of its Security;

(B) acquisition of any asset which forms part of its Secured Property and is subject to the fixed charge or a mortgage created by its Security; and

(C) such Secured Property ceasing to be Disposable Property for any reason;

(c) **registration and protection of security**: ensure that each Security Interest under its Security is registered and filed in all registers in all jurisdictions in which it must, or may, be registered and filed and is created and perfected so as to ensure the enforceability, validity, perfection and priority of the Security Interest against all persons and to be effective as a security, provided that the Borrower will not be in breach of its obligations under this clause 12.17(c) if the Financier fails to take any action which can only be taken by the Financier to enable the Security to be perfected as required under this clause 12.17(c), after written request from the Borrower to take that action.

(d) **no partnership or joint venture**: not enter into any profit sharing arrangement in relation to its Secured Property or any partnership or joint venture with any other person without the Financier's written consent (which consent shall not be unreasonably withheld or delayed).

12.18 **Insurance**

(a) **General requirements**: The Borrower must insure and keep insured its Secured Property:

(i) for amounts and against risks for which a person holding assets and carrying on a business similar to that of the Borrower would prudently take out insurance;

(ii) against damage, destruction and any other risk to their full replacement value or on a reinstatement basis;

(iii) against workers' compensation, public liability and business interruption; and

(iv) for any other risk to the extent and for the amounts the Financier may require (and where the insurances are available on reasonable commercial terms) and notify to the Borrower from time to time.

(b) **Payment of premiums**: The Borrower must punctually pay all premiums and other amounts necessary to effect and maintain in force each insurance policy.

(c) **Contents of insurance policy**: The Borrower must ensure that public liability insurance is taken out in the name of the Borrower and notes the Financier as an interested party.

(d) **Reputable insurer**: The Borrower must take out each insurance policy with a reputable and substantial insurer approved by the Financier.

(e) **No prejudice**: The Borrower must not do or omit to do, or allow or permit to be done or not done, anything which may materially prejudice any insurance policy.

(f) **Deliver documents**: Upon request by the Financier, the Borrower must as soon as practicable, deliver to the Financier:

(i) adequate evidence as to the existence and currency of the insurances required under this clause 12.18; and

(ii) any other detail which the Financier may require from time to time.

(g) **No change to policy**: The Borrower must not vary (where such variation may materially adversely affect the insurance of its Secured Property), rescind, terminate (other than by the passing of time), cancel or make a material change to any insurance policy without the Financier's written consent.

(h) **Full disclosure**: Before entering into each insurance policy, the Borrower must disclose to the insurer all facts which are material to the insurer's risk.

(i) **Assistance in recovery of money**: The Borrower must do all things required by the Financier to enable the Financier to recover any money due in respect of an insurance policy.

(j) **Notification by Borrower**: The Borrower must notify the Financier as soon as practicable after it becomes aware of:

(i) an event which in relation to its Secured Property gives rise to a claim of $250,000 or more under an insurance policy; and

(ii) the cancellation or variation for any reason of any insurance policy in relation to its Secured Property.

(k) **Dealing with insurance policy proceeds**:

(i) Unless clause 12.18(k)(iii) applies, if no Event of Default is subsisting, the proceeds of any insurance policy may be used for any purpose determined by the Borrower (acting reasonably).

(ii) Unless clause 12.18(k)(iii) applies, if an Event of Default is subsisting, the proceeds in respect of any insurance policy must be used to pay the Secured Moneys outstanding at that time or for any other purpose which the Financier approves.

(iii) Clauses 12.18(k)(i) and 12.18(k)(ii) do not apply to proceeds received from any workers' compensation or public liability policy or reinstatement policy to the extent that the proceeds are paid to a person entitled to be compensated under the workers' compensation or public liability policy, or under a contract for the reinstatement of its Secured Property.

(l) **Application of reinstatement proceeds**: If required under the terms of a reinstatement policy, the Borrower must apply all proceeds payable under the reinstatement policy to the reinstatement of its Secured Property.

(m) **Power to take proceedings**: If an Event of Default has occurred and a Receiver has not been appointed, the Financier alone has full power to make, enforce, settle, compromise, sue on and discharge all claims and recover and receive all moneys payable in respect of:

(i) any claim under any insurance policy; and

(ii) any compensation claim in respect of any injury to an employee of the Financier, Receiver or Attorney suffered while exercising or attempting to exercise any Power.

12.19 Financial undertakings

(a) In this clause:

Borrower's Operating Account	means a deposit account with a bank approved by the Financier in the name of the Borrower, including terms deposit accounts.
Borrower's Revenue	means, in respect of any period, the total of the Borrower's (and any of its Subsidiaries who had granted a security interest over all of its assets to the Financier) operating revenue generated through Bitcoin sales for that period, excluding any grants from a Government Agency.
Financial Model Forecast	means on a Calculation Date, the current Financial Model or board approved forecast set in May or June of that year for the following 12 calendar month period showing the Borrower's (and any of its Subsidiaries) projected gross revenue. Where a forecast assumes revenues to be generated by a proposed acquisition, those projected revenues will be disregarded if the acquisition does not occur and is no longer proposed to take place.
Machines	means any computing equipment required by the Borrower to operate its Business, including any ASIC miners or computers utilised for the purpose of mining cryptocurrency.
Review Date	means each date that is: (a) 12 months after the date of this agreement; and (b) 24 months after the date of this agreement.

Subsidiary's Operating Account	means a deposit account with a bank approved by the Financier in the name of a Subsidiary, including term deposit accounts over which the Financier has a Security Interest.

(b) The Borrower must ensure that on each Calculation Date the Borrower's Revenue for the Calculation Period referable to that Calculation Date is no less than 70% of the total revenue that is projected in the Financial Model Forecast to have been earned or accrued by the Borrower and any of its Subsidiaries over that Calculation Period.

(c) At all times while any Secured Moneys are outstanding, the aggregate balance of cash standing to the credit of the Borrower's Operating Account and any Subsidiaries' Operating Account is at least equal to:

(i) from the date of the first Utilisation of Tranche 1 to the date of the first Utilisation of Tranche 2, not less than $500,000; and

(ii) from the date of the first Utilisation of Tranche 2 until the Termination Date, not less than $750,000.

(d) At the request of the Financier, the Borrower must promptly provide:

(i) a three month projection of the cash standing to the credit of the Borrower's Operating Account; and

(ii) such other information requested by the Financier in connection with the projection provided under clause 12.19(d)(i).

(e) The Borrower must ensure that read only electronic access of the Borrower's Operating Account is provided to the Financier.

(f) The Borrower must ensure that no less than 5,000 Machines (as defined above) are, at any point in time during the term of this Agreement, in operation in Australia.

12.20 Share issue

Immediately upon request by the Financier at any time after the first Utilisation, the Borrower must issue the capital to the Financier in accordance with the Subscription Agreement.

12.21 Tax consolidation

The Borrower must ensure that for so long as it is a member of a Tax Consolidated Group:

(a) there is at all times a valid tax sharing agreement for that Tax Consolidated Group in a form and substance approved in writing by the Financier; and

(b) that tax sharing agreement remains valid at all times (including for the purposes of section 721-25 of the Tax Act);

(c) the Borrower enforces all its rights, and does not waive any of its rights, under that tax sharing agreement and complies with its obligations under that tax sharing agreement; and

(d) it does not cease to be a member of that Tax Consolidated Group unless the Financier is reasonably satisfied that it will continue to limit its liability under section 721-15(3) of the Tax Act.

12.22 Chapter 2M

The Borrower must not enter into any deed in connection with the granting by ASIC of an order under Chapter 2M of the Corporations Act (a **cross-guarantee**) without the prior written consent of the Financier.

12.23 Personal Property Securities Act

(a) If the Financier determines that a Finance Document (or a transaction in connection with it) is or contains a Security Interest for the purposes of PPSA, the Borrower agrees to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supply information) within its control and which the Financier asks for the purposes of:

(i) ensuring that the Security Interest is enforceable, continuously perfected and otherwise effective; or

(ii) enabling the Financier to apply for any registration, or give any notification, in connection with the Security Interest so that the Security Interest has the priority required by the Financier; or

(iii) enabling the Financier to take control of any Secured Property or to exercise rights in connection with the Security Interest.

(b) If the Borrower holds any Security Interests for the purposes of PPSA and if a failure by the Borrower to perfect such Security Interests would reasonably be expected to have a Material Adverse Effect or would result in the Borrower losing title to any asset, the Borrower agrees to implement, maintain and comply in all material respects with, procedures for the perfection of those Security Interests. These procedures must include procedures designed to ensure that the Borrower takes all steps under PPSA to perfect continuously any such Security Interests including all steps necessary:

(i) for the Borrower to obtain the highest ranking priority possible in respect of the Security Interest (such as perfecting a purchase money security interest or perfecting a Security Interest by control); and

(ii) to reduce as far as possible the risk of a third party acquire an interest free of the Security Interest (such as including the serial number in a

financing statement for personal property that may or must be described by a serial number).

(c) Everything the Borrower is required to do under this clause 12.23 is at the Borrower's expense. The Borrower agrees to pay or reimburse the costs and expenses of the Financier in connection with anything the Borrower is required to do under this clause 12.23.

(d) The Financier need not give any notice under PPSA (including a notice of verification statement) unless the notice is required by PPSA and cannot be excluded.

(e) A term or expression which is used in this clause 12.23 and which is defined in PPSA has the same meaning in this clause 12.23 as is given to it in PPSA.

12.24 Term of undertakings and effect

(a) Unless the Financier otherwise agrees in writing, until:

(i) the Commitment is cancelled; and

(ii) the Secured Moneys are unconditionally repaid in full; and

(iii) each Security is discharged,

the Borrower must, at its own cost, comply with its undertakings in this clause 12.

(b) If something is permitted under a provision of this agreement but that same thing is prohibited under another provision of this agreement or any other Finance Document, that thing is prohibited.

13. Events of Default

13.1 Events of Default

It is an Event of Default, whether or not it is within the control of the Borrower, if:

(a) **failure to pay**: the Borrower fails to pay or repay any part of the Secured Moneys when due and payable by it, and if the failure to pay was solely due to a failure of the banking system used for the transfer of funds, the Borrower or the Ultimate Parent (as applicable) does not remedy the failure within 2 Business Days;

(b) **financial undertakings**: there is a breach of clause 12.19;

(c) **non-remediable failure**: the Borrower fails to perform any other undertaking or obligation of it under any Finance Document (excluding an undertaking or

obligation which is the subject of another Event of Default under this clause 13.1) and that failure is not remediable;

(d) **remediable failure**: the failure described in clause 13.1(b) is remediable, and the Borrower does not remedy the failure within 10 Business Days after receipt by the Borrower of a notice from the Financier specifying the failure or after the Borrower becomes aware of the failure, whichever is earlier ;

(e) **misrepresentation**: any representation or warranty or statement of the Borrower under a Finance Document is incorrect or misleading in any material respect when made or repeated and the Borrower does not remedy the underlying fact or event that gave rise to the incorrect or misleading representation within 10 Business Days after receipt by the Borrower of a notice from the Financier specifying the failure or after the Borrower becomes aware of the failure, whichever is earlier;

(f) **option agreement**: the Option Agreement is terminated by the Parent;

(g) **cross default**:

(i) any Finance Debt of the Borrower in an amount in excess of $250,000 (or its equivalent in any other currency or currencies) becomes due and payable, or becomes capable of being declared due and payable, before the scheduled date for payment or is not paid when due (after taking into account any applicable grace period);

(ii) any commitment for any Finance Debt of the Borrower is cancelled or suspended by a creditor, or potential creditor, of the Borrower as a result of an event of default or review event (however described); or

(iii) the Borrower is required to pay cash cover in an amount in excess of $250,000 (or its equivalent in any other currency or currencies) in respect of any Finance Debt as a result of an event of default or review event (however described);

(h) **Security Interest**: any Security Interest:

(i) is enforced, or becomes capable of being enforced, against an asset of the Borrower with a value in excess of $250,000; or

(ii) under a Security does not have, or ceases to have, the priority it is intended to have in whole or in part, unless due to the action or inaction of the Financier;

(i) **judgment**: a judgment in an amount exceeding $250,000 (or its equivalent in any other currency or currencies) is obtained against the Borrower is not set aside or satisfied within 10 Business Days;

(j) **execution**: a distress, attachment, execution or other process of a Government Agency is issued against, levied or entered upon an asset of the Borrower in an amount exceeding $250,000 (or its equivalent in any other currency or currencies) is not set aside or satisfied 10 Business Days;

(k) **Controller**: any of the following occur:

(i) a Controller is appointed; or

(ii) a resolution to appoint a Controller is passed,

to the Borrower or over an asset of the Borrower;

(l) **winding up**: any of the following occur:

(i) an application is made (which is not withdrawn or set aside within five Business Days);

(ii) an order is made; or

(iii) a resolution is passed or any steps are taken to pass a resolution, otherwise than for the purpose of an amalgamation or reconstruction which has the prior written consent of the Financier,

for the winding up of the Borrower;

(m) **administration**: any of the following occur:

(i) an administrator is appointed; or

(ii) a resolution to appoint an administrator is passed, or any steps are taken to pass a resolution to appoint an administrator,

to the Borrower;

(n) **deregistration**: the Borrower is deregistered, or any steps are taken to deregister the Borrower under the Corporations Act;

(o) **suspends payment**: the Borrower suspends payment of its debts generally for a period of more than 20 Business Days;

(p) **insolvency**: the Borrower is:

(i) unable to pay its debts when they are due; or

(ii) presumed to be insolvent under the Corporations Act;

(q) **arrangements**: the Borrower enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, any of its creditors;

(r) **reorganisation**: the Borrower implements a merger, demerger or scheme of arrangement with any person except with the Financier's consent as part of a solvent reconstruction or solvent amalgamation which does not materially adversely affect the interests of the Financier;

(s) **ceasing business**: the Borrower ceases to carry on business;

(t) **analogous process - Parent**: there is any step or process analogous to any of the things mentioned in any of clause 13.1(h) to 13.1(s) inclusive in respect of the Parent;

(u) **analogous process - Ultimate Parent**: there is any step or process analogous to any of the things mentioned in any of clause 13.1(h) to 13.1(s) inclusive in any jurisdiction outside Australia:

(i) in respect of an Obligor, which is not incorporated or formed under the laws of the Commonwealth of Australia, including the Ultimate Parent; or

(ii) in respect of the assets of Subsidiaries situated outside Australia;

(v) **compulsory acquisition**: all or a material part of the Secured Property is resumed or compulsorily acquired or required to be sold, vested or divested by, or by order of, a Government Agency or under law;

(w) **unenforceability**:

(i) a material provision of a Transaction Document is illegal, void, voidable or unenforceable;

(ii) any person (other than the Financier) becomes entitled to terminate, repudiate, rescind or avoid any material provision of any Transaction Document; or

(iii) the execution, delivery or performance of a Transaction Document by an Obligor breaches or results in a contravention of any law;

(x) **Key Person:** the departure of any Key Person from the business of the Borrower in circumstances where the Borrower is unable to replace the Key Person within 60 days of the departure and the Borrower is unable to satisfy the Financier within 10 Business Days of the expiry of the 60 day period that the departure will not be reasonably likely to have a Material Adverse Effect; and

(y) **material adverse effect**: any event or series of events (whether related or not) occurs which, in the reasonable opinion of the Financier, has or is reasonably likely to have a Material Adverse Effect.

13.2 Effect of Event of Default

(a) If an Event of Default occurs which is subsisting the Financier may at any time while the Event of Default is subsisting by notice to the Borrower declare that:

(i) the Secured Moneys are immediately due and payable; or

(ii) the Commitment is cancelled,

or make each of the declarations under clauses 13.2(a)(i) and 13.2(a)(ii).

(b) The Borrower must immediately repay the Secured Moneys on receipt of a notice under clause 13.2(a)(i).

13.3 Enforcement

(a) In addition to any other rights provided at law or under any Finance Document, on or at any time after the occurrence of an Event of Default, the Financier may at the cost of the Borrower, appoint a firm of independent accountants or other experts to review and report to the Financier on the affairs, financial condition and business of the Borrower and the Secured Property.

(b) The Borrower must do everything in its power to ensure any review and report under clause 13.3(a) can be carried out promptly, completely and accurately. Without limitation, the Borrower must co-operate fully with the review and ensure that the accountants and other experts are given access to all premises, books and records and are given all other information they require from time to time and must ensure that its Authorised Officers, employees and agents do the same.

(c) The Finance Documents may be enforced without notice to the Borrower or any other person even if the Financier accepts any part of the Secured Moneys after an Event of Default or there has been any other Event of Default.

(d) The Financier is not liable to the Borrower for any Loss the Borrower may suffer, incur or be liable for arising out of or in connection with the Financier exercising any Power, except to the extent specifically set out in a Finance Document.

14. Assignment and substitution

14.1 Assignment by Borrower

The Borrower must not assign or novate or otherwise deal with any of its rights or obligations under a Finance Document without the Financier's prior written consent.

14.2 Assignment by Financier

(a) The Financier may assign its rights or novate any of its rights and obligations under a Finance Document in the following manner and subject to the following conditions:

(i) while an Event of Default is subsisting, to any person, without the Borrower's consent; and

(ii) while no Event of Default is subsisting, without the Borrower's consent:

(A) having given at least five Business Days' prior written notice to the Borrower, to a Related Body Corporate of the Financier; or

(B) having given at least 30 Business Days' prior written notice to the Borrower, to any other person, other than:

(1) an entity established primarily for investing in distressed debt; or

(2) a direct competitor or a person that the Financier is aware is Controlled by a direct competitor, or a client, of the Borrower.

(b) Following a notice under clause 14.2(a)(ii)(B), the Borrower may repay the Facility in accordance with clause 6.4 of this agreement.

14.3 Securitisation Permitted

(a) The Financier may, without having to obtain the consent of or notify the Borrower , assign, transfer, sub-participate or otherwise deal with any of its rights under this agreement to a trustee of a trust, a company or any other entity which in each case is established for the purposes of securitisation (**Securitisation Dealing**).

(b) Despite any Securitisation Dealing by the Financier:

(i) the Financier must continue to perform all its obligations under this agreement; and

(ii) any amount paid by the Borrower to the Financier will satisfy the Borrower's obligation to make that payment until the Borrower is given notice by the Financier of the Securitisation Dealing and directed by the Financier to pay any amount payable by the Borrower under this agreement to the relevant assignee, transferee or sub-participant.

14.4 Participation permitted

The Financier may grant a participation interest (being a right to share in the financial benefits of this agreement, without any rights against the Borrower) in any of the Financier's rights and benefits under this agreement to any other person without having to obtain the consent of or to notify the Borrower.

14.5 No increase in costs

If the Financier assigns or novates any of its rights or obligations under any Finance Document, the Borrower is required to pay any net increase in the aggregate amount of costs, Taxes, fees or charges which is a consequence of the transfer or assignment.

15. Saving provisions

15.1 No merger of security

(a) Nothing in this agreement merges, extinguishes, postpones, lessens or otherwise prejudicially affects any Security Interest or indemnity in favour of the Financier or any Power.

(b) No other Security Interest or Finance Document which the Financier has the benefit of in any way prejudicially affects any Power.

15.2 Exclusion of moratorium

To the full extent permitted by law, a provision of any legislation which directly or indirectly:

(a) lessens, varies or affects in favour of the Borrower any obligations under a Finance Document; or

(b) stays, postpones or otherwise prevents or prejudicially affects the exercise by the Financier of any Power,

is negatived and excluded from each Finance Document and all relief and protection conferred on the Borrower by or under that legislation is also negatived and excluded.

15.3 Conflict

Where any right, power, authority, discretion or remedy conferred on the Financier, a Receiver or an Attorney by any Finance Document is inconsistent with the powers conferred by applicable law then, to the extent not prohibited by that law, those conferred by applicable law are regarded as negatived or varied to the extent of the inconsistency.

15.4 Consents and opinions

(a) Unless otherwise stated in this Agreement, whenever the doing of any thing by the Borrower is dependent on the consent, approval or satisfaction of the Financier, the Financier may withhold its consent or approval, or give it conditionally or unconditionally, and may be satisfied or unsatisfied, in each case in its absolute discretion, unless expressly stated otherwise in a Finance Document.

(b) Any conditions imposed on the Borrower by the Financier under clause 15.4(a) and accepted by the Borrower must be complied with by the Borrower.

(c) Subject to any express provision in any Finance Document to the contrary, in relation to reasonableness, good faith or timeliness, the Financier is not (and no director, officer, employee, agent, attorney, Related Body Corporate or successor of the Financier is) liable (whether in negligence, breach of contract or otherwise) in respect of any opinions or statements given or made by the

Financier, any consent or approval or failure to give consent of approval by the Financier, or any instructions or failure to give instructions by the Financier, under any Finance Document.

15.5 Principal obligations

This agreement and each Collateral Security is a principal obligation and is not ancillary or collateral to any other Security Interest (other than another Collateral Security) or other obligation and is independent of, and unaffected by, any other Security Interest or other obligation which the Financier may hold at any time in respect of the Secured Moneys.

15.6 Non-avoidance

If any payment by the Borrower to the Financier is avoided for any reason including any legal limitation, disability or incapacity of or affecting the Borrower or any other thing, and whether or not:

(a) any transaction relating to the Secured Moneys was illegal, void or substantially avoided; or

(b) any thing was or ought to have been within the knowledge of the Financier,

the Borrower:

(c) as an additional, separate and independent obligation, indemnifies the Financier against that avoided payment; and

(d) acknowledges that any liability of the Borrower under the Finance Documents and any right or remedy of the Financier under the Finance Documents is the same as if that payment had not been made.

15.7 Set-off authorised

The Financier:

(a) may, but need not, set off any matured obligation due from the Borrower to the Financier under the Finance Documents against any obligation owed by the Financier to the Borrower (other than in respect of any amount directly or indirecty related to the Financier (or a Related Body Corporate of the Financier) holding shares in the Borrower), regardless of the place of payment, booking branch or currency of either obligation; and

(b) may effect any currency conversion which may be required to effect its rights under clause 15.7(a).

15.8 Financier's certificates and approvals

(a) A certificate signed by any Authorised Officer of the Financier in relation to any amount, calculation or payment under any Finance Document is sufficient evidence of that amount, calculation or payment unless the contrary is proved.

(b) Where any provision of a Finance Document requires the Financier's approval, that approval will not be effective unless and until it is provided in writing.

15.9 No reliance or other obligations and risk assumption

The Borrower acknowledges and confirms that:

(a) it has not entered into any Finance Document in reliance on any representation, warranty, promise or statement made by or on behalf of the Financier;

(b) in respect of the transactions evidenced by the Finance Documents, the Financier has no obligations other than those expressly set out in the Finance Documents; and

(c) in respect of interest rates or exchange rates, the Financier is not liable for any movement in interest rates or exchange rates;

(d) in respect of interest rates or exchange rates, the Financier is not liable for any information, advice or opinion provided by the Financier or any person on behalf of the Financier, even if:

(i) provided at the request of the Borrower (it being acknowledged by the Borrower that such matters are inherently speculative);

(ii) relied on by the Borrower; or

(iii) provided incorrectly or negligently.

16. Notices

16.1 Requirements

Any notice or other communication including, any request, demand, consent or approval (**Notice**) to or by a party to any Finance Document:

(a) must be in legible writing and in English addressed to the party in accordance with its details set out in Schedule 1 or as specified to the sender by the party by Notice; and

(b) must be signed by an Authorised Officer of the sender (and, if sent by email, need not be signed).

16.2 When received

A Notice is regarded as being given by the sender and received by the addressee:

(a) if by delivery in person, when delivered to the addressee;

(b) if by post, on delivery to the addressee; or

(c) if by email, on receipt by the addressee of a scanned, signed and legible copy of the Notice attached to that email,

but if the delivery or receipt is on a day which is not a Business Day or is after 4.00 pm (addressee's time) it is regarded as received at 9.00 am on the following Business Day.

16.3 Emailed documents

If the Borrower sends a Notice by email, the Borrower must as soon as reasonably practicable after request from the Financier give the Financier the original of that Notice and the original of any document accompanying that Notice.

16.4 Reliance

A Notice can be relied on by the addressee and the addressee is not liable to any other person for any consequences of that reliance if the addressee believes it to be genuine, correct and authorised by the sender.

16.5 Electronic transmission

The Borrower acknowledges and agrees that:

(a) providing a communication by electronic transmission (including by email) is not a secure means of sending such a notice, request or instruction;

(b) it is aware of the security risk involved in sending electronic transmissions to the Financier, including the risk that an electronic transmission may:

(i) be incomplete or inaccurate;

(ii) be fraudulently or mistakenly given or altered or not otherwise authorised by the Borrower; or

(iii) not be received in whole but may be received in part by the Financier; however the Borrower confirms and agrees that the Financier can nevertheless accept and rely on such electronic transmission even where they are for value; and

(c) because of the convenience and other efficiency benefits of the Financier accepting and acting on electronic transmission, the Borrower accepts the risk to the Borrower of the Financier accepting electronic transmissions that are incomplete, inaccurate, fraudulently or mistakenly given or not otherwise

authorised by the Borrower, or not received in whole but in part by the Financier; and

(d) the Financier may rely on a communication without making any further enquiries or verifying the authenticity, accuracy or completeness of that communication.

17. General

17.1 Confidential information

The Financier must not disclose to any person any Finance Document or any information about the Group and the Borrower must not disclose to any person any Finance Document except:

(a) in connection with a permitted assignment, novation, participation or securitisation under clause 14, where the disclosure is made on the basis that the recipient of the information will comply with this clause 17.1 in the same way that the Financier is required to do;

(b) in the case of the Borrower, to any actual or prospective equity investor on a confidential basis;

(c) to any professional or other adviser consulted by it in relation to any of its rights or obligations under the Finance Documents;

(d) to the Reserve Bank of Australia, the Australian Tax Office or any Government Agency requiring disclosure of the information;

(e) in connection with the enforcement of its rights or Powers under the Finance Documents;

(f) where the information is already in the public domain, or where the disclosure would not otherwise breach any duty of confidentiality;

(g) if required by law including the requirement of an IPO (other than under section 275 of the PPSA to the extent that disclosure would not be required under that section if the disclosure would breach a duty of confidence);

(h) to other members of the Group; or

(i) otherwise with the prior written consent of the Borrower or the Financier, as applicable.

17.2 Governing law and jurisdiction

(a) This agreement is governed by the laws of New South Wales.

(b) The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of New South Wales.

(c) The Borrower irrevocably waives any objection to the venue of any legal process on the basis that the process has been brought in an inconvenient forum.

(d) The Borrower irrevocably waives any immunity in respect of its obligations under this agreement that it may acquire from the jurisdiction of any court or any legal process for any reason including the service of notice, attachment before judgment, attachment in aid of execution or execution.

17.3 Prohibition and enforceability

(a) Any provision of, or the application of any provision of, any Finance Document or any Power which is prohibited in any jurisdiction is, in that jurisdiction, ineffective only to the extent of that prohibition.

(b) Any provision of, or the application of any provision of, any Finance Document which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.

17.4 Waivers

(a) Waiver of any right arising from a breach of this agreement or of any Power arising on default under this agreement or on the occurrence of a Default must be in writing and signed by the party granting the waiver.

(b) A failure or delay in exercise, or partial exercise, of a right arising from a breach of this agreement or the occurrence of a Default or of a Power created or arising on default under this agreement or on the occurrence of a Default, does not result in a waiver of that right or Power.

(c) A party is not entitled to rely on a delay in the exercise or non-exercise of a right or Power arising from a breach of this agreement or on a default under this agreement or on the occurrence of a Default as constituting a waiver of that right or Power.

(d) A party may not rely on any conduct of another party as a defence to exercise of a right or Power by that other party.

(e) This clause may not itself be waived except in writing.

17.5 Variations

A variation of any term of this agreement must be in writing and signed by the parties.

17.6 Calculations and Certificates

(a) In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by the

Financier are sufficient evidence of the matters to which they relate unless the contrary is proved.

(b) Any certification or determination by the Financier of an exchange rate, a rate of interest or amount under any Finance Document is sufficient evidence of the matters to which it relates and any certification or determination by the Financier of any other matter is sufficient evidence of the matters to which it relates unless the contrary is proved.

(c) Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days in accordance with that market practice.

17.7 Cumulative rights

The Powers are cumulative and do not exclude any other right, power, authority, discretion or remedy of the Financier, Receiver or Attorney.

17.8 Counterparts

This agreement may be executed in any number of counterparts. All counterparts taken together constitute one instrument. A party may execute this agreement by signing any counterpart. A party who has executed a counterpart of this document may exchange it with another party by emailing a pdf (portable document format) copy of, the executed counterpart to that other party, and if requested by that other party, will promptly deliver the original by hand or post. Failure to make that delivery will not affect the validity of this document.

17.1 Electronic Execution

This Agreement and each other Finance Document may be executed by a party in soft copy by electronic means, including by affixing a facsimile signature or by an electronic execution platform including DocuSign. Execution by electronic means will satisfy any statutory or other requirements for this document to be in writing and signed (and also, in the case of a deed, sealed and delivered) by that party. Any electronically executed soft copy, and any print out of such a copy, will constitute an executed original counterpart.

17.2 Attorneys

Each of the attorneys executing this agreement states that the attorney has no notice of the revocation of the power of attorney appointing that attorney.

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Schedule 1 Notice Details

Clause 16 (Notice)

1. Financier details

Name:	Marshall Investments MIG Pty Ltd ACN 655 680 256 as trustee for the Marshall Investments MIG Trust ABN 51 605 110 090
ACN	168 562 301
Address:	Suite 1, Level 12, 53 Martin Place, Sydney NSW 2000
Attention:	Amar Jassal / Andrew Martin
Email	amarj@marshall.com.au / andrewm@marshall.com.au

2. Borrower details

Name:	MIG No.1 Pty Ltd
ACN	641 831 923
Address:	Level 5, 97 Pacific Highway, North Sydney NSW 2060
Attention:	James Edward Manning / Nick Hugh Jones
Email:	james@mawsoninc.com / nick@mawsoninc.com

Schedule 2 Conditions precedent

Clause 2.1

Item 1	Finance Documents	Originals of each Finance Document which can be executed before the first Utilisation Date, duly executed by all parties to them other than the Financier.
Item 2	Material Documents	Copies of each Material Document, duly executed by all parties to them.
Item 3	Verification certificate	A duly executed verification certificate in the form of Schedule 4 executed by a director of the Borrower containing all of the documents referred to in Schedule 4, given in respect of the Borrower and dated no more than 5 Business Days before the proposed date of the first Utilisation Date.
Item 4	Security	Each Security Interest under the General Security Agreement and Specific Security Agreement has been registered pursuant to the PPSA, free from all prior ranking Security Interests other than a Permitted Security Interest.
Item 5	Discharges	Evidence that each person holding a Security Interest (other than a Permitted Security Interest), or other restriction over any part of the Secured Property has executed the necessary discharges, releases or withdrawals of those Security Interests or restrictions over the Secured Property in a registrable form.
Item 6	Title Documents	Each Title Document, transfer of a Marketable Security or other document required to be lodged with the Financier under any Finance Document.
Item 7	Operational Report	A copy of the Borrower's operational report for October 2021.
Item 8	Enquiries	Results of searches, enquiries and requisitions in respect of the Borrower and the Secured Property.
Item 9	Insurance	Evidence that the Borrower has complied with clause 12.18.

Item 10	Know Your Client (KYC)	Any 'know your client' documentation or information which is required to permit identification of the Borrower or any of its respective directors or other officers for the purposes of any anti-money laundering, counter-terrorism, financing or other legislation or regulation and that the identity of each Authorised Officer of the Borrower has been verified to the satisfaction of the Financier.
Item 11	Authorisation	Evidence that the Borrower has obtained all Authorisations which are required to enable the Borrower to enter into and perform its obligations under the Transaction Documents to which it is expressed to be a party.
Item 12	Equity / Parent Facility Loan	Evidence that the Borrower has been advanced under the Parent Facility Agreement an amount of not less than 50% of the relevant Tranche the subject of a Utilisation.
Item 13	Subscription Agreement	Evidence that each party has entered into the Subscription Agreement and that the Borrower has complied with, or will immediately following a request by the Financier, comply with the terms of the Subscription Agreement in respect of its obligations to issue not less than 35,000 shares in the Borrower to the Financier, or a Related Body Corporate of the Financier (subject to the Financier or a Related Body Corporate of the Financier having paid any amounts payable by it in accordance with the terms of the Subscription Agreement).
Item 14	Option Agreement	Evidence that the Option Agreement has been duly executed, or will as near as practicable simultaneously with the first Utilisation be executed, by each party to it .
Item 15	Guarantee and Indemnity	The provision of the Guarantee and Indemnity in a form that is mutually agreed by the parties and is duly executed by the Ultimate Parent.

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Schedule 3 Utilisation Notice

From: MIG No.1 Pty Ltd ACN 641 831 923

To: Marshall Investments MIG Pty Ltd ACN 655 680 256 as trustee for the Marshall Investments MIG Trust ABN 51 605 110 090 **(Financier)**

Dated:

Dear Sirs

Secured Loan Facility Agreement

dated _____ (Agreement)

1. We refer to the Agreement. This is a Utilisation Notice. Terms defined in the Agreement shall have the same meaning in this Utilisation Notice unless given a different meaning in this Utilisation Notice.

2. We wish to borrow a Loan on the following terms:

Proposed Utilisation Date:	[***Insert***] (or, if that is not a Business Day, the next Business Day)
Amount:	[***Insert***] or, if less, the Undrawn Commitment

3. We confirm that each condition specified in clause 2.1 are satisfied on the date of this Utilisation Notice.

4. The proceeds of this Loan should be credited to:

Payee:	[***Insert***]
Bank:	[***Insert***]
Account Number:	[***Insert***]
BSB:	[***Insert***]

5. This Utilisation Notice is irrevocable.

Yours faithfully

Authorised Officer
[*Insert*]

Schedule 4 Verification Certificate

Clause 2.1 and Schedule 3 Item 3

To: Marshall Investments MIG Pty Ltd ACN 655 680 256 as trustee for Marshall Investments MIG Trust ABN 51 605 110 090 **(Financier)**

Attention: Amar Jassal

We refer to the document entitled 'Secured Loan Facility Agreement' dated on or about the date of this document, between, among others, the Company listed below and the Financier (**Facility Agreement**).

We:

(a) [***Insert***]; and

(b) [***Insert***].

are officers of [***Insert***] (**Company**).

A term defined in the Facility Agreement which is not otherwise defined in this verification certificate has the same meaning when used in this verification certificate.

We are authorised to give this verification certificate on behalf of the Company. Expressions defined in the Facility Agreement apply in this verification certificate. We certify that:

6. **Attachments**

Attached are true, complete and up-to-date copies of the following, which as at the time of the meeting referred to in paragraph 9 was held and as at today, are in full force and effect, and which have not been revoked, suspended or amended:

(a) (**constituent documents**) the certificate of registration (marked **A**); and

(b) (**corporate documents**) each document which evidences any other necessary corporate or other action of the Company in connection with the Finance Documents to which it is intended to be a party (marked **B**).

7. **Corporate documents**

There are no other documents which evidence any other necessary corporate or other action of the Company in connection with the Transaction Documents to which it is intended to be a party.

8. **Corporations Act**

The Company is not prevented by Chapter 2E or Chapter 2J or any other provisions of the Corporations Act from entering into and performing any Transaction Document to which it is expressed to be a party.

9. Directors' meeting

Pursuant to a circulating resolution signed by a relevant quorum of directors of the Borrower who are entitled to vote on such a resolution, resolutions were duly passed:

(a) approving the terms of each Finance Document to which the Company is expressed to be a party;

(b) resolving that the Company's entry into Finance Document to which it is named as a party is for the commercial benefit of, and in the best interests of, the Company because the funding provided enables the Company to acquire assets and working capital to properly operate its business;

(c) authorising the Company to enter into, sign (whether by wet-ink, electronically or by the affixing of facsimile signature), deliver and perform each Finance Document (and any related ancillary document) to which it is named as a party; and

(d) appointing the persons listed in paragraph 14 as the Authorised Representative of the Company.

All provisions in the Corporations Act and the constitution of the Company relating to the declaration of directors' interests and the powers of interested directors to vote were duly observed at or before the meeting.

Minutes recording the resolutions referred to above were prepared and recorded in accordance with section 251A of the Corporations Act.

10. Intellectual Property

Each member of the Company has the legal and beneficial ownership of, or rights to use, all material trademarks, licences and other Intellectual Property Rights which are material to the core business.

11. Limit

The borrowing or guaranteeing, as appropriate, of the Commitment under the Facility Agreement, would not cause any borrowing, guaranteeing or similar limit binding on the Company to be exceeded.

12. Solvency

The Company is able to pay all of its debts as and when they become due and payable. There are no grounds for suspecting that it will not continue to do so after entering into the Transaction Documents (and after incurring any other liability which it proposes to incur around the time it enters into them).

13. No Material Adverse Effect

There has not been any event or circumstance (including any material adverse change or the continuation of any circumstance) that has occurred as at the date of this document which has adversely affected or could adversely affect the business,

condition (financial or otherwise), operations, performance, assets or prospects of the Company.

14. Authorised Representatives

The following persons are notified as Authorised Representatives of the Company with their specimen signatures:

Name	Position/Title	Date of birth	Specimen signature
[***Insert***]	[***Insert***]	[***Insert***]	_____

15. Authorisations

The Company has obtained all Authorisations required to enter into and complete the transactions contemplated by the Facility Agreement.

We give this certificate on behalf of the Borrower and not in our personal capacity.

Signed: _____ _____

Signature of Director Signature of Director

_____ _____

Name in full (please print) Name in full (please print)

Schedule 5 Compliance Certificate

Clause 12.1(g)

To: Marshall Investments MIG Pty Ltd ACN 655 680 256 as trustee for Marshall Investments MIG Trust ABN 51 605 110 090

Compliance Certificate as at [*Insert*]

I refer to the loan facility agreement (**Facility Agreement**) dated [***Insert Date or leave space***] between MIG No.1 Pty Ltd ACN 641 831 923 (as **Borrower**) and Marshall Investments MIG Pty Ltd ACN 655 680 256 as trustee for Marshall Investments MIG Trust ABN 51 605 110 090 (as **Financier**).

A term defined in the Facility Agreement has the same meaning when used in this Compliance Certificate.

We certify on behalf of the Borrower as follows in relation to the period ending [***Insert Date***]:

1. Borrower's Revenue as at [***insert date***] was[***Insert***].

2. the cash balance standing to the credit of the Borrower's Operating Account as at [***insert date***] was [***Insert***].

We attach calculations and supporting materials in respect of each of the above.

We represent and warrant that no Default is subsisting except as follows: [***Insert***], and we have taken/propose the following remedial action [***Insert action***].

We give this certificate on behalf of the Borrower and not in our personal capacity.

date _____

sign here ► _____
Director

print name _____

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Schedule 6 Authorised Officers Certificate

[***Insert Date***]

To: Marshall Investments MIG Pty Ltd ACN 655 680 256 as trustee for Marshall Investments MIG Trust ABN 51 605 110 090 (**Financier**)

Dear Sirs

Authorised Officers' Certificate

We refer to the Secured Loan Facility Agreement dated [***Insert Date***] between MIG No.1 Pty Ltd ACN 641 831 923 as Borrower and the Financier (**Facility Agreement**).

Terms used in this certificate that are defined in the Facility Agreement have, unless the context otherwise requires, the same meanings as in the Facility Agreement.

We are each [***a director / a director/company secretary***] of MIG No.1 Pty Ltd ACN 641 831 923 (**Borrower**).

The schedule to this certificate is a complete and up-to-date list of the Borrower's Authorised Officers with the signature, or a copy of the signature, and date of birth of each Authorised Officer of the Borrower appearing beside their name.

We certify that this document is complete, correct and fully in force.

We give this certificate on behalf of the Borrower and not in our personal capacity.

Executed by:

Signature of Director	Signature of Director/Company Secretary
Full name (print)	Full name (print)

Schedule

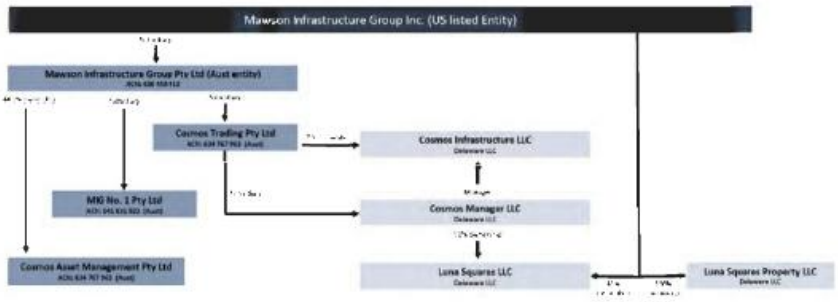
Name	Position	Signature	Date of Birth

HWL EBSWORTH LAWYERS

Schedule 7 Group Structure Diagram

Mawson Group – Legal Structure

As at 20 October 2021



HWL EBSWORTH
LAWYERS

Schedule 8 Payment Schedule

Date	Month	Days	Description	Principal	Interest	Total payment	Principal amortising	Principal outstanding
10/12/2021			Facility	(10,500,000)			5,250,000	10,500,000
31/12/2021	0	21	IO	-	72,493	**72,493.15**	5,250,000	10,500,000
31/01/2022	1	31	IO	-	107,014	**107,013.70**	5,250,000	10,500,000
28/02/2022	2	28	IO	-	96,658	**96,657.53**	5,250,000	10,500,000
31/03/2022	3	31	IO	-	107,014	**107,013.70**	5,250,000	10,500,000
30/04/2022	4	30	IO	-	103,562	**103,561.64**	5,250,000	10,500,000
31/05/2022	5	31	IO	-	107,014	**107,013.70**	5,250,000	10,500,000
30/06/2022	6	30	IO	-	103,562	**103,561.64**	5,250,000	10,500,000
31/07/2022	7	31	IO	-	107,014	**107,013.70**	5,250,000	10,500,000
31/08/2022	8	31	IO	-	107,014	**107,013.70**	5,250,000	10,500,000
30/09/2022	9	30	IO	-	103,562	**103,561.64**	5,250,000	10,500,000
31/10/2022	10	31	IO	-	107,014	**107,013.70**	5,250,000	10,500,000
30/11/2022	11	30	IO	-	103,562	**103,561.64**	5,250,000	10,500,000
31/12/2022	12	31	IO	-	107,014	**107,013.70**	5,250,000	10,500,000
31/01/2023	13	31	P&I	413,515	107,014	**520,528.39**	4,836,485	10,086,485
28/02/2023	14	28	P&I	419,814	92,851	**512,664.89**	4,416,671	9,666,671
31/03/2023	15	31	P&I	421,787	98,521	**520,308.05**	3,994,884	9,244,884
30/04/2023	16	30	P&I	426,651	91,182	**517,833.00**	3,568,233	8,818,233
31/05/2023	17	31	P&I	430,361	89,874	**520,234.23**	3,137,873	8,387,873
30/06/2023	18	30	P&I	435,177	82,730	**517,906.97**	2,702,695	7,952,695
31/07/2023	19	31	P&I	439,108	81,052	**520,159.92**	2,263,588	7,513,588
31/08/2023	20	31	P&I	443,583	76,577	**520,159.92**	1,820,004	7,070,004
30/09/2023	21	30	P&I	448,325	69,732	**518,056.19**	1,371,680	6,621,680
31/10/2023	22	31	P&I	452,598	67,487	**520,084.86**	919,082	6,169,082
30/11/2023	23	30	P&I	457,286	60,846	**518,131.46**	461,796	5,711,796
31/12/2023	24	31	P&I	5,711,796	58,213	**5,770,009.31**	-	-

HWL EBSWORTH
LAWYERS

Signing page

Executed as an agreement

Borrower

Executed by **MIG No.1 Pty Ltd ACN 641 831 923** in accordance with section 127(1) of the *Corporations Act 2001* (Cth) by:

DocuSigned by:
AB8823C419CB4E6...

Signature of sole Director and sole Company Secretary

James Edward Manning

Full name (print)

HWL EBSWORTH LAWYERS

Financier

Executed by **Marshall Investments MIG Pty Ltd ACN 655 680 256 as trustee for Marshall Investments MIG Trust ABN 51 605 110 090** in accordance with section 127 of the *Corporations Act 2001* (Cth) by:

DocuSigned by:
AgMartin
9FAB35D7D25E4C7...
Signature of Director

Andrew Martin
Full name (print)

DocuSigned by:
Amar Jassal
4B9A062CB033422...
Signature of Director/Company Secretary

Amar Jassal
Full name (print)

Exhibit 10.20

THOMSON GEER
LAWYERS

Level 14, 60 Martin Place
Sydney NSW 2000 Australia

T +61 2 8248 5800 | F +61 2 8248 5899

Loan Deed

between

Mawson Infrastructure Group Pty Ltd
ACN 636 458 912

(Borrower)

and

W Capital Advisors Pty Ltd as trustee for the W Capital Advisors Fund ABN 89 229 295 926
ACN 160 360 476

(Lender)

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This deed is made on September 2022

between **Mawson Infrastructure Group pty Ltd ACN 636 458 912** of Level 5, 97 Pacific Highway, North Sydney NSW 2060 **(Borrower)**

and **W Advisers Pfy Limited ACN 160 360 476 as trustee for the W Capital Advisors Fund ABN 89 229 295 926** of Level 5, 151 Macquarie Street, Sydney NSW 2000 **(Lender)**

Recitals

A The Lender at the request of the Borrower is willing to make secured loan advances to the Borrower upon and subject to the provisions of this deed.

B This deed provides for a loan advances in aggregate not exceeding the Commitment to the Borrower for the Approved Purpose.

Now it is covenanted and agreed as follows:

1 Definitions and interpretation

1.1 Definitions

In this deed:

Approved Purpose means the 'Approved Purpose' set out in the Schedule of this deed;

Business Day means a day on which the banks are open for business in Sydney, New South Wales other than a Saturday, Sunday or public holiday in Sydney, New South Wales;

Collateral Security means any present or future agreement or document created in favour of the Lender by the Borrower by way of further assurance or intended to be primary or collateral security for payment of the Secured Money;

Commitment means the 'Commitment' set out in the Schedule of this deed, as reduced or cancelled under this deed;

Continuing Default at any time, means any Default Event that is continuing or subsisting or has not been rectified by the Borrower or waived by the Lender, or where the Borrower is not in full compliance with any provision of any waiver, as at that time;

Debt Arrangement in relation to any person, means any compromise, composition, moratorium, scheme of arrangement or reconstruction, merger, amalgamation, suspension of any payment or right, restriction on any right or enforcement of any right, property transfer for the benefit of creditors, management administration, voluntary administration, company arrangement or deed of company arrangement agreed or effected by or in connection with that person, or any creditor, asset, debt or other liability of that person;

Default Event means the occurrence, without the prior written consent of the Lender, of any default event specified in clause 12.1;

Default Interest Rate means the 'Default Interest Rate' set out in the Schedule of this deed;

Governmental Agency means any governmental, semi-governmental, administrative, fiscal, municipal, local, judicial or regulatory agency, department, instrumentality, body, utility, authority, commission, court or tribunal;

Interest Payment Date means the 'Interest Payment Date' set out in the Schedule of this deed;

Interest Period means the 'Interest Period' set out in the Schedule of this deed;

Interest Rate means the 'Interest Rate' set out in the Schedule of this deed;

Legal Action means any legal action, application, proceeding, dispute or litigation initiated in or by any Governmental Agency, arbitration, mediation or dispute resolution process, whether actual, current, anticipated, threatened or potential;

Liquidation includes winding up, dissolution, bankruptcy, death, administration under any law relating to individual health or welfare, receivership, management or Debt Arrangement;

Loan means the provision of financial accommodation to the Borrower pursuant to this deed;

Permitted Security means:

(a) any Collateral Security;

(b) any Security Interest arising in favour of any Governmental Agency by operation of legislation, where there is no default in payment of any moneys or performance of any liability due to that Governmental Agency;

(c) any possessory lien arising by operation of law in the ordinary course of business activity, where there is no default in payment of any moneys or performance of any liability due to the lien creditor;

(d) a Security Interest provided for by one of the following transactions if the transaction does not secure the payment of moneys or performance of an obligation:

(i) a transfer of an account or chattel paper;

(ii) a commercial consignment; or

(iii) a PPS lease,

as those terms are defined in the PPSA; or

(e) any Security Interest which the Lender has been notified of on or prior to the date of this deed; and

(f) any Security Interest which the Lender consents to in writing;

PPSA means:

(a) the *Personal Property Securities Act 2009* (Cth); and

(b) the *Personal Property Securities Regulations 2010* (Cth),

as amended, supplemented or affected by any other applicable legislation of the Commonwealth, or any State or Territory, of Australia;

Principal Outstanding means, at any time, the aggregate principal amount of any outstanding Loans (including any capitalised interest and fees);

Repayment Date means the 'Repayment Date' set out in the Schedule of this deed;

Secured Money means all money and amounts (in any currency) that the Borrower is or may become liable for at any time (presently, prospectively or contingently, whether alone or not and in any capacity) to pay to or for the account of the Lender under or in connection with the Security Agreements. It includes money and amounts:

(a) in the nature of principal, interest, fees, charges, Taxes, duties or other imposts, liquidated or unliquidated damages (whether for breach of contract or tort or incurred on any other ground), losses, indemnities, guarantee obligations, costs or expenses;

(b) which are owed to or incurred for the account of the Lender directly or as a result of:

(i) the assignment or transfer to the Lender of any debt or liability of the Borrower (whether by way of assignment, transfer or otherwise); or

(ii) any other dealing with any such debt or liability; and/or

(c) whether arising or contemplated:

(i) before or after the date of any Security Agreement; or

(ii) as a result of any assignment (with or without the Borrower's consent) of any debt, liability or Security Agreement;

Security Agreement means:

(a) this deed;

(b) each Specified Security Agreement; and

(c) any Collateral Security;

Security Interest means an interest or power:

(a) reserved in or over any interest in any asset including, but not limited to, any retention of title; or

(b) created or otherwise arising in or over any interest in any asset under a bill of sale, mortgage, charge (whether fixed or floating), hypothecation, lien, pledge, caveat, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt or any other monetary obligation or the performance of any other obligation and includes, but is not limited to, any agreement to grant or create any of the above. It also includes a security interest within the meaning of section 12 of the PPSA;

Security Property means the present and/or future assets of the Borrower which are subject to any Security Agreement conferring a security interest to or in favour of the Lender by way of security for the Secured Money;

Specified Security Agreement means each 'Specified Security Agreement' set out in the Schedule of this deed; and

Tax means all forms of taxes, duties, imposts, charges, withholdings, rates, levies or other governmental impositions of whatever nature and by whatever authority imposed, assessed or charged together with all costs, charges, interest, penalties, fines, expenses and other additional statutory charges, incidental or related to the imposition.

1.2 **Interpretation**

In this deed, unless the context otherwise requires:

(a) a reference to:

(i) one gender includes the others;

(ii) the singular includes the plural and the plural includes the singular;

(iii) a recital, clause, schedule or annexure is a reference to a clause of or recital, schedule or annexure to this deed and references to this deed include any recital, schedule or annexure;

(iv) any contract (including this deed) or other instrument includes any variation or replacement of it and as it may be assigned or novated;

(v) a statute, ordinance, code or other law includes subordinate legislation (including regulations) and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;

(vi) a person or entity includes an individual, a firm, a body corporate, a trust, an unincorporated association or an authority;

(vii) a person includes their legal personal representatives (including executors), administrators, successors, substitutes (including by way of novation) and permitted assigns;

(viii) a group of persons is a reference to any two (2) or more of them taken together and to each of them individually;

(ix) an entity which has been reconstituted or merged means the body as reconstituted or merged, and to an entity which has ceased to exist where its functions have been substantially taken over by another body, means that other body;

(x) time is a reference to legal time in Sydney, New South Wales;

(xi) a reference to a day or a month means a calendar day or calendar month;

(xii) money (including '$', 'AUD' or 'dollars') is to Australian currency;

(b) unless expressly stated, no party enters into this deed as agent for any other person (or otherwise on their behalf or for their benefit);

(c) the meaning of any general language is not restricted by any accompanying example, and the words 'includes', 'including', 'such as', 'for example' or similar words are not words of limitation;

(d) the words 'costs' and 'expenses' include reasonable charges, expenses and legal costs on a full indemnity basis;

(e) headings and the table of contents are for convenience only and do not form part of this deed or affect its interpretation;

(f) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;

(g) the time between two (2) days, acts or events includes the day of occurrence or performance of the second but not the first day act or event;

(h) if the last day for doing an act is not a Business Day, the act must be done instead on the next Business Day;

(i) where there are two (2) or more persons in a party each are bound jointly and severally;

(j) a reference to any thing (including any right) includes a part of that thing but nothing in this clause 1.2(j) implies that performance of part of an obligation constitutes performance of the obligation; and

(k) a provision of this deed must not be construed to the disadvantage of a party merely because that party was responsible for the preparation of this deed or the inclusion of the provision in this deed.

2 Loans

The Lender agrees to provide Loans to the Borrower for an aggregate principal amount not exceeding the Commitment when requested in writing:

(a) **(conditions):** upon and subject to the provisions of this deed;

(b) **(representations):** in reliance upon the representations made in clause 9; and

(c) **(security):** in reliance upon the Security Agreements.

3 Purpose

The Borrower must apply the proceeds of the Loans solely for the Approved Purpose.

4 Interest

4.1 Interest

The Borrower must pay interest in arrears on the Principal Outstanding for each Loan at the Interest Rate.

4.2 Calculation

In respect of each Loan, interest:

(a) accrues from day to day on and from the date the Loan is provided by the Lender to the Borrower for the actual number of days elapsed and shall be computed on a daily basis and a year of 365 days; and

(b) unless capitalised in accordance with clause 4.3, is payable in arrears to the Lender:

(i) on each Interest Payment Date;

(ii) if a repayment or prepayment is made on a date other than an Interest Payment Date, on that repayment or prepayment date; and

(iii) the Repayment Date.

4.3 Capitalisation of interest

(a) The Borrower may capitalise accrued interest payable on any Principal Outstanding under clause 4.2 (each such amount, a **Capitalised Amount)** if the Lender is satisfied that there is no Continuing Default and no Default Event would result from the capitalisation of the Capitalised Amount.

(b) The Lender and the Borrower agree that each Capitalised Amount will be taken to be added to the amount of the Principal Outstanding as of the relevant date for all purposes under this deed (including for the calculation of interest from that date).

5 Repayment

On the Repayment Date, the Borrower must pay the Principal Outstanding, accrued interest and fees and all other Secured Money in full to the Lender.

6 Prepayment

(a) **(Prepayment notice):** The Borrower may prepay all or any part of the Principal Outstanding, following prior notice to the Lender.

(b) **(Revolving credit):** An amount prepaid under this clause 6, may be redrawn under this deed.

7 Payments

7.1 Payment manner

The Borrower shall make any payment to the Lender required under this deed in dollars, or any other currency if expressly specified in this deed, on the due date for payment by bank cheque or in other immediately available funds to the account or place notified at any time by the Lender to the Borrower.

7.2 Set-off Exclusion

The Borrower shall make any payment required under this deed without any set-off, whether on account of Taxes or otherwise, except for any Tax deduction or withholding compelled by law.

7.3 Tax indemnity

The Borrower shall indemnify the Lender upon demand for any Tax deduction required or made from any payment due under this deed.

8 Conditions precedent

The right of the Borrower to request a Loan, and any liability of the Lender under this deed to provide the Loan, is subject to the condition precedent that the Lender has received, in a form and substance satisfactory to the Lender, each item specified in this provision:

(a) **(security documents):** a duly executed counterpart copy of each Security Agreement;

(b) **(fees, costs and expenses):** payment of all fees, costs and expenses due to the Lender under any Security Agreement; and

(c) **(default events):** no Continuing Default at that date and no Default Event will result from or occur at the time of the advance of the Loan.

9 Representations

The Borrower represents to the Lender that at any time during the continuance of this deed:

(a) **(corporate status):** it is a corporation duly incorporated and validly existing under the law of the country or jurisdiction of its incorporation or registration;

(b) **(corporate powers):** it has full corporate power to own its assets and create and perform any liability under, and perform any business activity as contemplated by, any Security Agreement;

(c) **(corporate consents):** it has procured any corporate consent for the execution and performance of each Security Agreement in compliance with its constitution documents;

(d) **(document validity):** each Security Agreement has been executed in compliance with its constitution documents and constitutes an unconditional, valid and enforceable legal liability of the Borrower in compliance with its provisions;

(e) **(beneficial ownership):** it holds the full, absolute and entire legal and beneficial right, title and interest in all its assets and the Security Property, except where it is trustee of any trust which has been expressly disclosed in the provisions of any Security Agreement or by written notice to the Lender prior to its execution by the Borrower; and

(f) **(security interest):** it holds all its assets and the Security Property free and clear of any mortgage, charge or other security interest, whether ranking in priority to, equally with or subsequent to any Security Agreement, or any other adverse right or interest of any third party, except:

(i) any Permitted Security; or

(ii) as notified to the Lender prior to execution of that Security Agreement.

10 Positive undertakings

The Borrower shall at any time during the continuance of this deed:

(a) **(corporate existence):** perform any action necessary to maintain its corporate existence in good standing;

(b) **(business practice):** perform any business activity in a proper and efficient manner;

(c) **(lender notification):** promptly notify the Lender upon a receipt of actual notice of:

(i) any Default Event;

(ii) any Legal Action in it is engaged involving a claim; and

(iii) any fact, or series of facts, which may affect the ability of the Borrower to perform its liability under any Security Agreement or materially affect or change the financial condition of the Borrower or the value of the Security Property; and

(d) **(assistance):** for any purpose relating to any Security Agreement, perform any action within its power and control to provide any necessary document, information and assistance to the Lender.

11 Negative pledge

The Borrower shall not at any time during the continuance of this deed, without the prior written consent of the Lender, create any mortgage, charge or other security interest affecting or relating to any of its assets, whether ranking in priority to, pari passu with or subsequent to any Security Agreement, except for any Permitted Security.

12 Default

12.1 Default events

Specified default events for the purposes of this deed shall comprise:

(a) **(payment default):** failure by the Borrower to pay any moneys on the due date and in the manner and currency specified in any Security Agreement, within three (3) Business Days following demand by the Lender requiring payment;

(b) **(performance default):** failure by the Borrower to perform any liability under any Security Agreement, excluding payment default, and, in relation to any rectifiable failure in the decision of the Lender, within ten (10) Business Days following notice by the Lender requiring rectification;

(c) **(misrepresentation):** non-compliance by the Borrower with or the fact of inaccuracy of any representation made or deemed to be made or repeated by it in any Security Agreement, or in any document delivered to the Lender under or in connection with any Security Agreement, and where the circumstances giving rise to the non-compliance or inaccuracy are capable of being rectified such that the representation would be complied with or accurate if made again, those circumstances are not rectified within ten (10) Business Days following notice by the Lender requiring rectification;

(d) **(security enforcement):** the enforceability of any mortgage, charge or other security interest over any asset of the Borrower, or any guarantee or guarantee and indemnity given by the Borrower, securing payment for any amount subsequent to the occurrence of any breach of or default under that security interest or guarantee or guarantee and indemnity;

(e) **(receivership):** the appointment of any receiver over, or possession taken by any secured party under any mortgage, charge or other security interest of, any asset of the Borrower;

(f) **(insolvency):** cessation of payment generally by the Borrower or the inability of the Borrower to pay all its debts as and when they become due and payable;

(g) **(administration):** the appointment of any administrator to the Borrower;

(h) **(liquidation):** any Legal Action, not being in the decision of the Lender a disputed action, being commenced in any court of competent jurisdiction, judicial order made or resolution passed for the Liquidation, winding up or bankruptcy of the Borrower; and

(i) **(debt arrangement):** the creation by the Borrower of any Debt Arrangement with its creditors generally or any class of creditors.

12.2 **Default declaration**

The Lender may at any time during any Continuing Default:

(a) **(debt acceleration):** declare the Secured Money to be immediately due and payable, and the Secured Money then becomes immediately due and payable; and/or

(b) **(commitment cancellation):** cancel the Commitment and terminate any liability of the Lender under this deed; and/or

(c) **(security enforcement):** enforce any Security Agreement.

13 Default interest

(a) **(Interest liability):** The Borrower shall pay to the Lender upon demand by the Lender at any time interest **(Default Interest)** on any amount payable by the Borrower to the Lender under this deed, including interest payable under this clause 13, which is unpaid.

(b) **(Accrual):** Default Interest shall accrue from day to day from and including the due date for payment down to the date of actual payment calculated on the basis of a year of 365 days.

(c) **(Separate liability):** The liability of the Borrower for Default Interest shall constitute a liability of the Borrower separate and independent from any other liability under this deed, both before and after judgment.

(d) **(Rate):** Default interest shall be payable at the Default Interest Rate.

14 Indemnity

The Borrower shall at any time indemnify the Lender upon demand against any loss, cost, charge, expense, disbursement, fee, commission, tax, duty or other payment incurred by the Lender resulting directly or indirectly from any default in payment of any amount due by the Borrower under *any* Security Agreement, including any principal, interest or cost, or any other Default Event.

15 Costs

The Borrower shall indemnify the Lender upon demand against any cost, charge, expense, disbursement, fee, commission, tax, duty or other payment incurred by the Lender at any time in connection with:

(a) **(secured money):** the Secured Money or any Security Agreement;

(b) **(security agreements):** the preparation, negotiation, execution, performance or termination of, any amendment to or any consent, claim, demand or waiver given or made under, any Security Agreement;

(c) **(rectification):** any rectification of any breach or default by the Borrower of or under any Security Agreement;

(d) **(security rights):** any exercise or enforcement of any right conferred on the Lender under any Security Agreement or by law;

(e) **(security protection):** any protection of any Security Agreement and/or any Security Property or legal right, title or interest of the Borrower or the Lender;

(f) **(agents):** the engagement of any agent under any provision of any Security Agreement or in relation to any matter of concern to the Lender in connection with any Security Agreement or the Security Property.

16 Stamp duties

The Borrower shall promptly within the initial applicable period prescribed by law and in any event indemnify the Lender upon demand in relation to any stamp or other duty payable in connection with:

(a) **(security agreements):** the execution, performance, variation, exercise or enforcement of any Security Agreement, or any right of the Lender under any Security Agreement;

(b) **(credit increases):** the extension of further, additional or increased loan or other credit accommodation by the Lender to the Borrower at any time under or secured by, or agreement by the Borrower and the Lender to increase the amount secured by, any Security Agreement; or

(c) **(payments):** the receipt or payment of any moneys under any Security Agreement, or under any transaction contemplated by any Security Agreement, including moneys paid by the Lender by way of refund to any third party.

17 Assignment

The Borrower may not transfer any right or liability under any Security Agreement, without the prior written consent of the Lender.

18 Notices and other communications

18.1 Service

A notice, request, demand, approval, consent or other communication **("Notice")** given by a party in connection with a Security Agreement must be:

(a) in writing, in English and signed by the party or, where transmitted by e-mail, sent by an authorised officer of the party;

(b) directed to the recipient's address for notices (as last notified by the recipient to the sender); and

(c) hand delivered or sent by prepaid post (airmail if posted to or from outside Australia) or transmitted by e-mail to that address.

18.2 Effective on receipt

A Notice given in accordance with clause 18.1 takes effect when received (or at a later time specified in it), and is taken to be received:

(a) if hand delivered, on delivery;

(b) if sent by prepaid post, either:

(i) on the day on which the relevant postal service estimates delivery will occur; or

(ii) on the first day of the period during which the relevant postal service estimates delivery will occur,

based on the most recent estimate published by the relevant postal service as at the date on which the Notice is sent; and

(c) if transmitted by e-mail, on transmission,

but if the delivery, receipt or transmission is not received on (or is received after 5:00 pm on) a Business Day, the Notice is taken to be received at 9:00 am on the next Business Day.

19 Governing law

This deed shall be governed by and construed under the law in the State of New South Wales.

20 General provision

20.1 Continuing performance

(a) **(Representation):** Any representation in this deed shall survive the execution of and advance of credit under any Security Agreement and shall continue until final termination of that Security Agreement by the Lender.

(b) **(Indemnity):** Any indemnity agreed by the Borrower under this deed shall:

(i) constitute a liability of the Borrower separate and independent from any other liability under any other agreement;

(ii) survive the payment of the Secured Money or the termination of any Security Agreement; and

(iii) continue until final termination of all Security Agreements by the Lender.

20.2 **Waivers**

Any failure or delay by the Lender to exercise any right under this deed or any other Security Agreement shall not operate as a waiver and the single or partial exercise of any right by the Lender shall not preclude any other or further exercise of that or any other right by the Lender.

20.3 **Remedies**

The rights of the Lender under this deed are cumulative and not exclusive of any rights provided by law.

20.4 **Severability**

Any provision of this deed which is invalid in any jurisdiction shall be invalid in that jurisdiction to that extent, without invalidating or affecting the remaining provisions of this deed or the validity of that provision in any other jurisdiction.

20.5 **Moratorium legislation**

The provisions of legislation at any time operating directly or indirectly to lessen or otherwise vary or affect in favour of the Borrower any liability under this deed or delay or otherwise prevent or have a prejudicial effect on the exercise by the Lender of any right are negatived and excluded from this deed, to the fullest extent permitted by law.

20.6 **Counterparts**

This deed may be executed in any number of counterparts, all of which taken together shall be deemed to constitute one and the same document.

20.7 **Electronic execution**

A party may sign electronically a soft copy of this deed through DocuSign (or any other platform approved by the Lender), and bind itself accordingly. This will satisfy any statutory or other requirements for this deed to be in writing and signed by that party. The parties intend that:

(a) any soft copy so signed will constitute an executed original counterpart, and any print-out of the copy with the relevant signatures appearing will also constitute an executed original counterpart; and

(b) each signatory confirms that their signature appearing in this deed, including any such print-out (irrespective of which party printed it), is their personal signature authenticating it.

Schedule

LOAN TERMS

Commitment	A$3,000,000.00
Approved Purpose	General working capital purposes.
Interest Rate	12.00% per annum.
Interest Period	In relation to any Loan: (a) in respect of the initial Interest Period, a period commencing on the date that the Loan is made and ending on the date that is one (1) month after that date; and (b) in respect of each subsequent Interest Period, a period commencing on the day after the last day of the previous Interest Period and ending on the date that is one (1) month after that date, and an Interest Period will end on the Repayment Date if that Interest Period would otherwise end subsequent to that date.
Interest Payment Date	The last day of each Interest Period.
Default Interest Rate	20.00% per annum.

Repayment Date	The date that is six (6) months after the date the first Loan is provided by the Lender to the Borrower in accordance with this deed.
Specified Security Agreements	The document entitled "General Security Agreement" dated on or about the date of this deed between the Borrower and the Lender.

Executed as a deed

BORROWER:

Executed as a deed by **Mawson Infrastructure Group Pty Ltd ACN 636 458 912** in accordance with section 127 of the *Corporations Act 2001* (Cth):

/s/ James Manning
Director

JAMES MANNING
Name of Director
BLOCK LETTERS

/s/ Michael Hughes
*Director/*Company Secretary

MICHAEL HUGHES
Name of *Director/*Company Secretary
BLOCK LETTERS
*please strike out as appropriate

LENDER:

Executed as a deed by **W Advisers Pty Limited ACN 160 360 476 as trustee for the W Capital Advisors Fund ABN 89 229 295 926** in accordance with section 127 of the *Corporations Act 2001* (Cth):

Sole Director

Darron Wolter

Name of Sole Director

Exhibit 10.21

THOMSON GEER
LAWYERS

Level 14, 60 Martin Place
Sydney NSW 2000 Australia

T +61 2 8248 5800 | F +61 2 8248 5899

Variation Deed to Loan Deed

between

Mawson Infrastructure Group pty Ltd
ACN 636 458 912
(Borrower)

and

W Advisors Pty Limited ACN 160 360 476 as trustee for the W Capital Advisors Fund
ABN 89 229 295 926
(Lender)

ADVICE | TRANSACTIONS | DISPUTES
Domestic & Cross Border

This deed is made on 29 September 2022

between **Mawson Infrastructure Group pty Ltd** ACN 636 458 912 of Level 5, 97 Pacific Highway, North Sydney NSW 2060 **(Borrower)**

and **W Advisors Pty Limited** ACN 160 360 **476 as trustee** for **the W Capital Advisors Fund** ABN 89 229 295 926 of 7 Pine Valley Road, Galston, NSW 2159 **(Lender)**

Recitals

A The Lender and the Borrower are parties to the Loan Deed.
B The parties wish to formally vary the Loan Deed and to record various other matters now agreed by them.

Now it is covenanted and agreed as follows:

1 Interpretation

1.1 **Definition**

In this document, unless the context otherwise requires:

Effective Date means the date of this document;

Loan Deed means the Loan Deed dated on or around 2 September 2022 made between the Lender and the Borrower; and

MIGI means Mawson Infrastructure Group, Inc.

1.2 **Interpretation**

Words and phrases used but not defined in this document will have the same meaning as in the Loan Deed.

2 Consideration

In consideration for the Lender agreeing to the variation in clause 3.1, the Borrower undertakes to procure that MIGI issues warrants to the Lender which is consistent with a market rate of return for a similar transaction, having regard to the market price of securities of MIGI as at 27 September 2022.

3 Variation and acknowledgements

3.1 **Variation**

On and from the Effective Date, the Loan Deed is varied by deleting “A$3,000,000.00ff from the Commitment in the Schedule and inserting in substitution, “A$8,000,000.00”

3.2 **Acknowledgment**

By its execution of this document the parties acknowledge that:

(a) their obligations, liabilities and undertakings contained in each Security Agreement to which it is a party remain in full force and effect and are not lessened or diminished by the provisions of or the execution of this document; and

(b) the recitals to this document are true and correct.

4 General

4.1 **Consideration**

Each party acknowledges to each other party that it enters into this document and incurs obligations and gives rights under it for valuable consideration provided by each other party.

4.2 **Further action**

The parties must do all things necessary or desirable to give full effect to the variation in clause 3.1 and this document.

4.3 **Severability**

A provision of this document that is illegal, invalid or unenforceable in a jurisdiction is ineffective in that jurisdiction to the extent of the illegality, invalidity or unenforceability. This does not affect the validity or enforceability of that provision in any other jurisdiction, nor the remainder of this document in any jurisdiction.

4.4 **Counterparts**

This document may be executed in any number of counterparts (including facsimile copies) and all counterparts taken together shall constitute one and the same instrument.

4.5 **Governing law**

This document shall be governed by and construed in accordance with the laws of New South Wales. Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of that place (and any court of appeal) and waives any right to object to an action being brought in those courts, including on the basis of an inconvenient forum or those courts not having jurisdiction.

Executed as a deed

Executed as a deed by **Mawson Infrastructure Group Pty Ltd** ACN 636 458 912 in accordance with section 127 of the *Corporations Act 2001* (Cth):

/s/ James Manning	/s/ Michael Hughes
Director	*Director
JAMES MANNING	MICHAEL HUGHES
Name of Director BLOCK LETTERS	Name of *Director BLOCK LETTERS *please strike out as appropriate

Executed as a deed by **W Advisers Pty Limited ACN 160 360 476 as trustee for the W Capital Advisors Fund** ABN 89 229 295 926 in accordance with section 127 of the *Corporations Act 2001* (Ctn):

Director	*Director/*Company Secretary
Name of Director BLOCK LETTERS	Name of *Director/*Company Secretary BLOCK LETTERS

*please strike out as appropriate

THOMSON GEER
LAWYERS

Level 14, 60 Martin Place
Sydney NSW 2000 Australia

T +61 2 8248 5800 | F +61 2 8248 5899

Corporate Guarantee

between

W Advisors Pty Limited ACN 160 360 476 as trustee for the W Capital Advisors Fund
ABN 89 229 295 926
(Lender)

and

Mawson Infrastructure Group Inc.
a Delaware company
(Guarantor)

ADVICE | TRANSACTIONS | DISPUTES
Domestic & Cross Border

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This deed is made on 29 September 2022

between **W Advisors Pty Limited ACN 160 360 476 as trustee for the W Capital Advisors Fund** ABN 89 229 295 926 of 7 Pine Valley Road, Galston, NSW 2159 **(Lender)**

and **Mawson Infrastructure Group Inc a** Delaware registered company of Level 5, 97 Pacific Highway, North Sydney, NSW 2000 **(Guarantor)**

Recitals

A The Lender has provided financial accommodation to the Borrower pursuant to the Finance Documents.

B The Guarantor is the Borrower's parent company and has agreed.to guarantee the Borrower's obligations on the terms of this deed.

Now it is agreed as follows:

1 Definitions and interpretation

1.1 Definitions

Assets means the assets owned by the Guarantor.

Borrower means Mawson Infrastructure Group Pty Ltd ACN 636 458 912.

Business Day means a day on which Banks are open for general banking business in Sydney, New South Wales, excluding Saturdays, Sundays and public holidays.

Collateral Security has the meaning given to that term in the Loan Deed.

Controller means, in relation to a person's property:

(a) a receiver or receiver and manager of that property; or

(b) anyone else who (whether or not as agent for the person) is in possession, or has control of that property to enforce a Security Interest.

Corporations Act means the *Corporations Act 2001* (Cth).

Finally Paid means where:

(a) the Secured Moneys have been paid or satisfied in full; and

(b) the Lender is satisfied that:

(i) the Borrower will not owe any further Secured Moneys within a reasonable period of time; and

(ii) no transaction (Including a payment) in connection with Secured Moneys may be void or voidable on the liquidation of the Borrower or any other party.

Finance Document means:

(a) the Loan Deed;

(b) the general security deed between the Borrower and the Lender dated on or around 2 September 2022;

(c) the variation deed to loan deed between the Borrower and Lender dated on or around the date of this deed;

(d) any Collateral Security;

(e) this deed;

(f) any document that the Borrower and the Lender agree is a 'Finance Document'; and

(g) any document entered into or given under or in connection with, or for the purpose of amending or novating, any document referred to above.

Government Agency means:

(a) a government or government department;

(b) a governmental, semi-governmental, regulatory or judicial entity or authority; or

(c) a person (whether autonomous or not) who is charged with the administration of a law.

Guarantee means any guarantee, indemnity, suretyship, letter of credit, letter of comfort or any other obligation (whatever called and of whatever nature):

(a) to provide funds (whether by the advance or payment of money, the purchase of or subscription for shares or other securities, the purchase of assets or services, or otherwise) for the payment or discharge of;

(b) to indemnify any person against the consequences of default in the payment of; or

(c) to be responsible for,

any debt or monetary liability of another person or the assumption of any responsibility in respect of an obligation or indebtedness, or the financial condition or solvency, of another person.

Guaranteed Obligations has the meaning given to that term in clause 2.2.

Insolvency Event means the occurrence of any of the following events in relation to any person:

(a) the person becomes 'insolvent' as defined in the Corporations Act, states that it is insolvent or is presumed to be insolvent under an applicable law;

(b) the person is wound up, dissolved, deregistered, struck off the register of companies or declared bankrupt;

(c) the person becomes an 'insolvent under administration' as defined in the Corporations Act;

(d) a liquidator, provisional liquidator, Controller, administrator, trustee for creditors, trustee in bankruptcy or other similar person is appointed to, or takes possession or control of, any or all of the person's assets or undertaking;

(e) the person enters into or becomes subject to:

(i) any arrangement or composition with one or more of its creditors or any assignment for the benefit of one or more of its creditors; or

(ii) any re-organisation, moratorium, deed of company arrangement or other administration involving one or more of its creditors;

(f) an application or order is made (and, in the case of an application, it is not stayed, withdrawn or dismissed within 14 days), resolution passed, proposal put forward, or any other action taken which is preparatory to or could result in any of (b), (c), (d) or (e) above;

(g) the person is taken, under section 459F(1) of the Corporations Act, to have failed to comply with a statutory demand;

(h) the person suspends payment of its debts, ceases or threatens to cease to carry on all or a material part of its business or becomes unable to pay its debts when they fall due;

(i) the person dies, is physically or mentally incapacitated, ceases to be of full legal capacity or otherwise becomes incapable of managing its own affairs for any reason; or

(j) anything occurs under the law of any jurisdiction which has a substantially similar effect to any of the other paragraphs of this definition,

unless the event occurs as part of a solvent reconstruction, amalgamation, merger or consolidation that has been approved in writing by the Lender, and **Insolvency** has a corresponding meaning.

Loan has the meaning given to that term in the Loan Deed.

Loan Deed means the loan deed between the Borrower and the Lender dated 2 September 2022.

Liquidation means:

(a) a winding up, dissolution, liquidation, provisional liquidation, administration, bankruptcy or other proceeding for which an external administrator is appointed, or an analogous or equivalent event or proceeding in any jurisdiction; or

(b) an arrangement, moratorium, assignment, reorganisation, reconstruction or composition with, involving or for the benefit of creditors or any class or group of them.

Loss means a loss, claim, action, damage, liability, cost, charge, expense, penalty, compensation, fine, outgoing or payment suffered, paid or incurred.

Power means any right, power, discretion or remedy of an enforcing party under any Finance Document or any applicable law.

Related Entity has the meaning given to that term in the Corporations Act.

Secured Moneys means all money and amounts (in any currency) that the Borrower is or may become liable for at any time (presently, prospectively or contingently, whether alone or not and in any capacity) to pay to or for the account of the Lender or any Related Entity of the Lender (whether alone or not and in any capacity), including under or in connection with the Finance Documents. It includes money and amounts:

(a) in the nature of principal, interest, fees, charges, Taxes, duties or other imposts, liquidated or unliquidated damages (whether for breach of contract or tort or incurred on any other ground), losses, indemnities, Guarantee obligations, costs or expenses;

(b) which are owed to or incurred for the account of the Lender or any Related Entity of the Lender directly or as a result of:

(i) the assignment or transfer to the Lender or any Related Entity of the Lender of any debt or liability of the Borrower (whether by way of assignment, transfer or otherwise); or

(ii) any other dealing with any such debt or liability;

(c) whether arising or contemplated:

(i) before or after the date of any Finance Document; or

(ii) as a result of any assignment (with or without the Borrower's consent) of any debt, liability or Finance Document; and/or

(d) which a person would be liable to pay but for an Insolvency Event in respect of that person.

Security Interest means an interest or power:

(a) reserved in or over any interest in any asset including, but not limited to, any retention of title; or

(b) created or otherwise arising in or over any interest in any asset under a bill of sale, mortgage, charge (whether fixed or floating), hypothecation, lien, pledge, caveat, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt or any other monetary obligation or the performance of any other obligation and includes, but is not limited to, any agreement to grant or create any of the above.

Tax includes a tax, levy, duty or charge (and associated penalty or interest) imposed by a Government Agency. It includes stamp duty and other taxes of a similar nature, income tax, withholding tax, GST and transaction taxes and duties but does not include tax on the overall net income of the Lender.

1.2 **Interpretation**

In this deed, unless the context requires otherwise:

(a) the singular includes the plural and vice versa;

(b) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;

(c) a reference to a party, clause, paragraph, schedule or annexure is a reference to a party, clause, paragraph, schedule or annexure to or of this deed;

(d) headings are for convenience and do not affect interpretation;

(e) the background or recitals to this deed are adopted as and form part of this deed;

(f) a reference to any document, agreement or deed includes a reference to that document, agreement or deed as amended, novated, supplemented, varied or replaced from time to time;

(g) a reference to a time is a reference to Sydney time;

(h) a reference to a party includes its executors, administrators, successors, substitutes (including persons taking by novation) and permitted assigns;

(i) words and expressions denoting natural persons include bodies corporate, partnerships, associations, firms, Government Agencies and vice versa;

(j) a reference to any legislation or to any provision of any legislation includes:

(i) any modification or re-enactment of the legislation;

(ii) any legislative provision substituted for, and all iegislation, statutory Instruments and regulations issued under, the legislation or provision; and

(iii) where relevant, corresponding legislation in any Australian State or Territory;

(k) no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this deed or any part of it;

(i) the words "including", "for example", "such as" or other similar expressions (in any form) are not words of limitation;

(m) a reference to any thing (including any right) includes a part of that thing but nothing in this clause 1.2(m) implies that performance of part of an obligation constitutes performance of the obligation;

(n) a reference to property or an asset includes any real or personal, present or future,, tangible or intangible property, asset or undertaking and any right, benefit, interest or revenue in, under or derived from the property or asset;

(o) a reference to deed other than this deed includes an undertaking, deed, agreement or legally enforceable arrangement or understanding, whether or not in writing;

(p) a reference to a document includes any agreement in writing, or any certificate, notice, instrument or other document of any kind; and

(q) a reference to a body (including, but not limited to, an institute, association or authority) whether statutory or not:

(i) which ceases to exist; or

(ii) whose powers or functions are transferred to another body,

is a reference to the body which replaces it or which substantially succeeds to its powers or functions.

2 Guarantee and Indemnity

2.1 Consideration

The Guarantor acknowledges and agrees that it incurs obligations and gives rights under the Finance Documents in return for the Lender agreeing to vary the Loan at the Borrower's request and for other valuable consideration re'ceived from the Lender and the Borrower (receipt of which has been acknowledged).

2.2 Guarantee

The Guarantor irrevocably and unconditionally guarantees to the Lender:

(a) the due and punctual payment of the Secured Moneys in accordance with the Finance Documents; and

(b) the performance by the Borrower of all of their other obligations under or in connection with the Finance Documents

(Guaranteed Obligations).

2.3 Indemnity

The Guarantor indemnifies the Lender against, and agrees to pay to the Lender on demand amounts equal to, any Loss of the Lender suffered or incurred as a result of or in connection with:

(a) the Borrower failing, or being unable, to pay the Secured Moneys or perform any of its obligations in accordance with the Finance Documents;

(b) any Secured Moneys (or money which would be Secured Moneys if recoverable) not being recoverable from the Borrower;

(c) any Guaranteed Obligations (or obligations which would be Guaranteed Obligations if not illegal, void, voidable or unenforceable) being or becoming illegal, void, voidable or unenforceable;

(d) any right to demand payment by the Borrower of any Secured Moneys, or any right to declare any Secured Moneys to be due and payable, being or becoming unenforceable, or being or becoming subject to a stay;

(e) the Guarantor failing, or being unable, to pay the Lender an amount under clause 2.2 or otherwise defaulting under the Finance Documents;

(f) any Insolvency Event in respect of the Borrower and the preservation or enforcement of the Lender's rights as a result of the occurrence of any Insolvency Event in respect of the Borrower, including obtaining advice or any form of assistance in this regard; or

(g) any person exercising, or not exercising, rights under the Finance Documents,

in each case, for any reason and whether or not the Lender knew or ought to have known about those matters.

2.4 Payment or performance

If any amount of the Secured Moneys (or money which would be Secured Moneys if its payment was recoverable or not illegal, void, voidable, unenforceable or subject to a stay) is not paid when due and in the manner required, the Guarantor must pay that money on demand to, or as directed by, the Lender, as if it were the principal obligor. Any other money payable by the Guarantor under this clause 2 must also be paid on demand to, or as directed by, the Lender. If the Borrower fails to perform any of the other Guaranteed Obligations, the Guarantor must perform, or procure the performance of, those obligations (without the need for demand by the Lender) in accordance.with the Finance Documents.

2.5 Nature of obligations

The obligations of the Guarantor under this clause 2:

(a) are principal obligations and will not be treated as ancillary or collateral to any other right or obligation;

(b) are in addition to, and not prejudiced by, any other Guarantee or Security Interest now or later held by the Lender; and

(c) may be enforced against it without the Lender first being required to proceed against, or enforce or exhaust any other right, remedy or Security Interest or claim payment from, any other person.

2.6 **Continuing obligations**

The obligations of the Guarantor under this clause 2:

(a) extend to the present and future balance of all the Secured Moneys;

(b) are continuing obligations and will remain in full force and effect (despite any intervening payment, settlement of account or any other thing); and

(c) continue until all Secured Moneys are Finally Paid or a formal discharge of this guarantee and indemnity is given to it by the Lender.

2.7 **Obligations absolute and unconditional**

The obligations of the Guarantor under this clause 2 are absolute, unconditional and irrevocable. The Guarantor's liability under this clause 2 is not adversely affected by anything that would otherwise reduce or discharge that liability, including:

(a) any increase in, or variation or replacement of, financial accommodation (including any arrangement relating to the Secured Moneys) provided to any person;

(b) any time, waiver, concession (such as more time to pay) or consent granted to, or composition with, the Borrower or any other person;

(c) the opening of any account with the Lender;

(d) any transaction, agreement (including a Finance Document) or arrangement (or a variation, novation or assignment of such a transaction, agreement or arrangement) between the Lender, the Borrower or any other person;

(e) an Insolvency Event in respect of the Borrower or any other person;

(f) any judgment or order being obtained or made against, or the conduct of any proceedings by the Borrower or any other person;

(g) an obligation of the Borrower or a Finance Document being or becoming, in whole or in part, illegal, void, voidable, unenforceable, defective, released, waived, impaired, novated, enforced or impossible or illegal to perform;

(h) the whole or partial discharge or release of, or the granting of, a Security Interest;

(i) the Secured Moneys not being recoverable or the liability of the Borrower or any other person to the Lender ceasing or reducing (including due to a release or discharge by the Lender or by law);

(j) the failure of the Borrower or other person to execute any Finance Document;

(k) the exercise or non-exercise of any Power (including any right to terminate a contract);

(l) any set-off, combination of accounts or counterclaim;

(m) any Secured Property being destroyed, forfeited, extinguished, surrendered or resumed;

(n) the fact that a person:

(i) who was intended to guarantee the Borrower's obligations does not do so or does not do so effectively; or

(ii) becomes a Guarantor or ceases to be a Guarantor after the date of this deed;

(o) any incapacity or lack of power, authority or legal personality of or dissolution or change in the membership or status of the Borrower or any other person; or

(p) any default, misrepresentation, negligence, breach of contract, misconduct, acquiescence, delay, waiver, mistake, failure to give notice or other act or omission (whether or not prejudicial to the Borrower) by the Lender or any other person,

regardless of whether it, the Lender or any other person is aware of, or consents to, any of these matters and despite any legal rule to the contrary.

3 Security Interest

(a) The Guarantor hereby grants a security interest in the Assets in favor of the Lender to secure the obligations of the Borrower to pay the repayment in full under the Finance Documents.

(b) The Borrower may, at such time as it determines appropriate, file a UCC 1 Financing Statement in such places as it determines to evidence the security interest granted by the Guarantor to the Lender under this deed.

(c) Upon the occurrence of a payment default by the Borrower', the Lender may, in addition to any other remedies provided herein, take possession of the Assets, without liability for trespass or conversion, for itself or sell the same at public or private sale, with or without having such property at the sale, after giving the Borrower and the Guarantor reasonable notice of time and place of any public sale or of the time after which any private sale is to be made, at which sale the Borrower or the Guarantor or its assigns may purchase unless otherwise prohibited by law.

(d) Unless otherwise provided by law, and without intending to exclude any other manner of giving the Borrower or the Guarantor reasonable notice, the requirement of reasonable notice shall be met if such notice is given in the manner prescribed in clause 4 at least ten (10) Business Days before the time of sale.

(e) The proceeds from any such disposition, less all expenses connected with the taking of possession, holding, and selling of the property (including reasonable attorneys' fees and other expenses), shall be applied as a credit against the indebtedness secured by the Security Interest granted in this clause. Any surplus shall be paid to the Borrower or the Guarantor as otherwise required by law, and the Borrower or the Guarantor shall pay any deficiencies forthwith.

(f) Once the Secured Moneys is paid in full, such Security Interest shall be terminated and of no further force or effect without any further authorization or approval of the Lender. The Lender agrees to cancel all UCC 1 Financing Statements upon the termination of the security interest, if applicable.

4 Notices and other communications

4.1 Service

A notice, request, demand, approval, consent or other communication **("Notice")** given by a party in connection with this deed must be:

(a) in writing, in English and signed by the party or, where transmitted by e-mail, sent by an authorised officer of the party;

(b) directed to the recipient's address for notices (as last notified by the recipient to the sender); and

(c) hand delivered or sent by prepaid post (airmail if posted to or from outside Australia) or transmitted by e-mail to that address.

4.2 Effective on receipt

A Notice given in accordance with clause 4.1 takes effect when received (or at a later time specified in it), and is taken to be received:

(a) if hand delivered, on delivery;

(b) if sent by prepaid post, either:

(i) on the day on which the relevant postal service estimates delivery will occur; or

(ii) on the first day of the period during which the relevant postal service estimates delivery will occur,

(iii) based on the most recent estimate published by the relevant postal service as at the date on which the Notice is sent; and

(c) if transmitted by e-mail, on transmission,

but if the delivery, receipt or transmission is not received on (or is received after 5:00 pm on) a Business Day, the Notice is taken to be received at 9:00 am on the next Business Day.

5 Governing law

This deed shall be governed by and construed under the law in the State of New South Wales.

6 General provision

6.1 Waivers

Any failure or delay by the Lender to exercise any right under this deed or any other Finance Document shall not operate as a waiver and the single or partial exercise of any right by the Lender shall not preclude any other or further exercise of that or any other right by the Lender.

6.2 Remedies

The rights of the Lender under this deed are cumulative and not exclusive of any rights provided by law.

6.3 **Severability**

Any provision of this deed which is invalid in any jurisdiction shall be invalid in that jurisdiction to that extent, without invalidating or affecting the remaining provisions of this deed or the validity of that provision in any other jurisdiction.

6.4 **Moratorium legislation**

The provisions of legislation at any time operating directly or indirectly to lessen or otherwise vary or affect in favour of the Guarantor any liability under this deed or delay or otherwise prevent or have a prejudicial effect on the exercise by the Lender of any right are negatived and excluded from this deed, to the fullest extent permitted by law.

6.5 **Counterparts**

This deed may be executed in any number of counterparts, all of which taken together shall be deemed to constitute one and the same document.

6.6 **Electronic execution**

A party may sign electronically a soft copy of this deed through DocuSign (or any other platform approved by the Lender), and bind itself accordingly. This will satisfy any statutory or other requirements for this deed to be in writing and signed by that party. The parties intend that:

(a) any soft copy so signed will constitute an executed original counterpart, and any print out of the copy with the relevant signatures appearing will also constitute an executed original counterpart; and

(b) each signatory confirms that their signature appearing in this deed, including any such print-out (irrespective of which party printed it), is their personal signature authenticating it.

Executed as a deed

Lender

Executed as a deed by W Advisors Pty Limited ACN 614171 078 as trustee for the W Capital Advisors Fund ABN 89 229 295 926 in accordance with section 127 of the *Corporations Act 2001* (Cth):

/s/ Darron Wolter
Darron Wolter - Sole Director

Guarantors

Executed by **Mawson Infrastructure Group Inc.** a Delaware company by its authorised representative:

Authorised Representative
sep 29, 2022

Name of authorised representative

Exhibit 21.1

Subsidiaries of Mawson Infrastructure Group Inc

Name of Subsidiary	Jurisdiction of Incorporation or Organisation
Mawson Infrastructure Group Pty Ltd (deconsolidated on October 30, 2023)	Australia
Mawson AU Ltd	Australia
MIG No. 1 Pty Ltd	Australia
Mawson Services Pty Ltd	Australia
Cosmos Trading Pty Ltd	Australia
Cosmos Manager LLC	Delaware
Cosmos Infrastructure LLC	Delaware
Luna Squares Repairs LLC	Delaware
Luna Squares LLC	Delaware
Luna Squares Property LLC	Delaware
Mawson Mining LLC	Delaware
Mawson Ohio LLC	Delaware
Mawson Midland LLC	Delaware
Mawson Bellefonte LLC	Delaware
Mawson Hosting LLC	Delaware
MIG No 1 LLC	Delaware

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-260600 and 333-264062 on Form S-3 and Registration Statement No. 333-258878 on Form S-8 of our report dated March 29, 2024, relating to the consolidated financial statements of Mawson Infrastructure Group, Inc. and Subsidiaries appearing in this Annual Report on Form 10-K of Mawson Infrastructure Group, Inc. and Subsidiaries for the year ended December 31, 2023.

Wolf & Company, P.C.
Boston, Massachusetts
March 29, 2024

Exhibit 23.2

L8 309 Kent St, Sydney NSW 2000

March 29, 2024

RE: December 31, 2023 10-K

Dear Mr. Harrison,

We hereby consent to the inclusion of our report of independent registered public accounting firm dated March 23, 2023, on our audit of the consolidated balance sheet of Mawson Infrastructure Group Inc and its subsidiaries, as of December 31, 2022, and the related consolidated statements of earnings, of comprehensive earnings, of equity and of cash flows for the year ended December 31, 2022, including the related notes.

We were auditors of the Company until April 4, 2023 and were subsequently replaced by the Company's current auditors Wolf & Company, PC.

Regards,

/s/ Anthony Rose
Anthony Rose
Director
LNP Audit + Assurance

Exhibit 31.1

CERTIFICATION

I, Rahul Mewawalla, certify that:

1. I have reviewed this Annual Report on Form 10-K of Mawson Infrastructure Group Inc. for the year ended December 31, 2023;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 29, 2024

/s/ Rahul Mewawalla
Rahul Mewawalla
Chief Executive Officer, President and Director
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, William Harrison, certify that:

1. I have reviewed this Annual Report on Form 10-K of Mawson Infrastructure Group Inc. for the year ended December 31, 2023;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 29, 2024

/s/ William Harrison
William Harrison
Principal Financial and Accounting Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Mawson Infrastructure Group Inc. (the "Company") on Form 10-K for the year ended December 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned principal executive officer of the Company, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 ("SOX"), that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification accompanies this Report pursuant to Section 906 of SOX and shall not, except to the extent set forth in the Exchange Act, be deemed filed by the Company for purposes of Section 18 of the Exchange Act. Such certification will not be deemed to be incorporated by reference into any filling under the Securities Act of 1993, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

A signed original of this written statement required by Rule 13a-14(b) or 15d-14(b) of the Exchange Act and Section 906 of SOX has been provided by the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: March 29, 2024

/s/ Rahul Mewawalla
Rahul Mewawalla,
Chief Executive Officer, President and Director
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Mawson Infrastructure Group Inc. (the "Company") on Form 10-K for the year ended December 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned principal financial officer of the Company, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 ("SOX"), that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification accompanies this Report pursuant to Section 906 of SOX and shall not, except to the extent set forth in the Exchange Act, be deemed filed by the Company for purposes of Section 18 of the Exchange Act. Such certification will not be deemed to be incorporated by reference into any filling under the Securities Act of 1993, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

A signed original of this written statement required by Rule 13a-14(b) or 15d-14(b) of the Exchange Act and Section 906 of SOX has been provided by the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: March 29, 2024

/s/ William Harrison
William Harrison
Principal Financial and Accounting Officer

Exhibit 97.1

Policy Approved by Compensation Committee and Board of Directors:

If MIGI is required to prepare an accounting restatement as defined by Rule 10D-1, including to correct an error that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period, MIGI shall recover from any current or former executive officers incentive-based compensation that was erroneously awarded during the three years preceding the date such a restatement was required as defined by Rule 10D-1. The recoverable amount as defined by Rule 10D-1 is the amount of incentive-based compensation associated with the accounting statement and received in excess of the amount that otherwise would have been received had it been determined based on the restated financial measure.

MIGI shall recover erroneously awarded compensation, subject to limited impracticability exceptions available only in circumstances where:

- Direct expenses paid to third parties to assist in enforcing the policy would exceed the amount to be recovered and MIGI has made a reasonable attempt to recover;

- Recovery would violate home country law that existed at the time of adoption of the rule, and MIGI provides an opinion of counsel to that effect to the exchange; or

- Recovery would likely cause an otherwise tax-qualified retirement plan to fail to meet the requirements of the Internal Revenue Code.

As defined by Rule 10D-1, MIGI shall file its policy as an exhibit to its annual report and disclose how it has applied the policy, including, as relevant: (1) The date it was required to prepare an accounting restatement and the aggregate dollar amount of erroneously awarded compensation attributable to such accounting restatement (2) the aggregate amount that remains outstanding and any outstanding amounts due from any current or former named executive officer for 180 days or more; and (3) details regarding any reliance on the impracticability exceptions. MIGI shall use Inline XBRL to tag their compensation recovery disclosure.

info@mawsoninc.com

mawsoninc.com