

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

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): February 13, 2024

Stronghold Digital Mining, Inc.

(Exact Name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-40931

(Commission File Number)

86-2759890

(IRS Employer Identification No.)

595 Madison Avenue, 28th Floor

New York, New York

(Address of principal executive offices)

10022

(Zip Code)

(845) 579-5992

Registrant's telephone number, including area code

Not Applicable

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value \$0.0001 per share	SDIG	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

WhiteHawk Credit Agreement Third Amendment

As previously announced, on October 27, 2022, Stronghold Digital Mining, Inc. (the “Company”) entered into a secured credit agreement (the “Credit Agreement”) with WhiteHawk Finance LLC (“WhiteHawk”) to refinance the equipment financing agreement, dated June 30, 2021 by and between Stronghold Digital Mining Equipment, LLC (“Stronghold LLC”) and WhiteHawk (the “WhiteHawk Financing Agreement”), effectively terminating the WhiteHawk Financing Agreement. On February 6, 2023, the Company, Stronghold Digital Mining Holdings, LLC (“Holdings”), as borrower, their subsidiaries and WhiteHawk Capital, as collateral agent and administrative agent, and the other lenders thereto, entered into an amendment to the Credit Agreement (the “First Amendment”). On March 28, 2023, the Company, Holdings, as borrower, their subsidiaries and WhiteHawk Capital, as collateral agent and administrative agent, and the other lenders thereto, entered a Second Amendment to Credit Agreement (the “Second Amendment”).

On February 15, 2024, the Company, Holdings, as borrower, their subsidiaries and WhiteHawk Capital, as collateral agent and administrative agent, and the other lenders thereto, entered a Third Amendment to Credit Agreement (the “Third Amendment”). Pursuant to the Third Amendment, among other items, (i) the Company was permitted to the purchase the December 2023 Purchase Miners, so long as the December 2023 Purchase Miners were purchased from cash proceeds of the December 2023 Equity Raise and such December 2023 Purchase Miners are Collateral, (ii) the Lenders waived certain prepayment requirements of the Credit Agreement with respect to cash proceeds of the December 2023 Equity Raise, subject to the Lender’s receipt of \$3,230,522.82, which amount represents amortization payments of the Term Loan that were otherwise due on July 31, 2024 and August 30, 2024, (iii) two (2) 115kV to 13.8kV – 30/40/50 MVA transformers and two (2) 145kV SF6 breakers previously purchased by the Company were added to the defined term Permitted Disposition and (iv) the Company’s minimum liquidity requirement was amended to not be less than: (A) until June 30, 2025, \$2,500,000 and (B) from and after July 1, 2025, \$5,000,000.

Terms used herein but not otherwise defined shall have the meaning given to such terms in the Third Amendment. The foregoing description of the Third Amendment is not intended to be complete and is qualified in its entirety by reference to the full text of the agreement, which is filed as Exhibit 10.1, to this Current Report on Form 8-K and incorporated into this Item 1.01 by reference.

Item 1.02. Termination of a Material Definitive Agreement

On November 2, 2021, Holdings and Olympus Stronghold Services, LLC (“Olympus Services”), entered into an Operations, Maintenance and Ancillary Services Agreement (the “Omnibus Services Agreement”), whereby Olympus Services was to provide certain operations, personnel and maintenance services to the Company and its affiliates. On February 13, 2024, Holdings and Olympus Services entered into a Termination and Release Agreement (the “Termination and Release”) whereby the Omnibus Services Agreement was terminated. The Termination and Release contained a mutual customary release. The Company expects to continue to pay Olympus \$10,000 per month for ongoing assistance at each of the Scrubgrass Plant and Panther Creek Plant. The Company does not expect the Termination and Release Agreement to have a material impact on ongoing operations as the Company has worked to in-source all services previously provided by Olympus Services.

The foregoing description of the Termination and Release is not intended to be complete and is qualified in its entirety by reference to the full text of the agreement, which is filed as Exhibit 10.2, to this Current Report on Form 8-K and incorporated into this Item 1.02 by reference.

Cautionary Statement Concerning Forward-Looking Statements

Certain statements contained in this current report on Form 8-K constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. You can identify forward-looking statements because they contain words such as “believes,” “expects,” “may,” “will,” “should,” “seeks,” “approximately,” “intends,” “plans,” “estimates” or “anticipates” or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. Forward-looking statements and the business prospects of the Company are subject to a number of risks and uncertainties that may cause the Company’s actual results in future periods to differ materially from the forward-looking statements. These risks and uncertainties include, among other things: the restructuring of the Company’s debt and the performance and satisfaction of various obligations under the agreements entered into in order to effect such restructuring of debt; the hybrid nature of our business model, which is highly dependent on the price of Bitcoin; our dependence on the level of demand and financial performance of the crypto asset industry; our ability to manage growth, business, financial results and results of operations; uncertainty regarding our evolving business model; our ability to retain management and key personnel and the integration of new management; our ability to raise capital to fund business growth; our ability to maintain sufficient liquidity to fund operations, growth and acquisitions; our substantial indebtedness and its effect on our results of operations and our financial condition; uncertainty regarding the outcomes of any investigations or proceedings; our ability to enter into purchase agreements, acquisitions and financing transactions; public health crises, epidemics, and pandemics such as the coronavirus pandemic; our ability to procure and install crypto asset mining equipment, including from foreign-based suppliers; our ability to maintain our relationships with our third party brokers and our dependence on their performance; developments and changes in laws and regulations, including increased regulation of the crypto asset industry through legislative action and revised rules and standards applied by The Financial Crimes Enforcement Network under the authority of the U.S. Bank Secrecy Act and the Investment Company Act; the future acceptance and/or widespread use of, and demand for, Bitcoin and other crypto assets; our ability to respond to price fluctuations and rapidly changing technology; our ability to operate our coal refuse power generation facilities as planned; our ability to avail ourselves of tax credits for the clean-up of coal refuse piles; and legislative or regulatory changes, and liability under, or any future inability to comply with, existing or future energy regulations or requirements. More information on these risks and other potential factors that could affect our financial results is included in the Company’s filings with the Securities and Exchange Commission, including in the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of its Annual Report on Form 10-K filed on April 3, 2023 and our Quarterly Reports on Form 10-Q filed on May 12, 2023 and August 11, 2023, and in its Current Reports on Form 8-K filed from time to time. Any forward-looking statement speaks only as of the date as of which such statement is made, and, except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether because of new information, future events, or otherwise.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
10.1	Third Amendment to Credit Agreement, dated as of February 15, 2024, by and among Stronghold Digital Mining, Inc., Stronghold Digital Mining Holdings, LLC as Borrower, each subsidiary of the Borrower listed as a Guarantor therein, WhiteHawk Finance LLC and/or its affiliates or designees and the other lenders from time-to-time party thereto as Lenders and WhiteHawk Capital Partners LP, as Collateral Agent and Administrative Agent.
10.2	Termination and Release Agreement, dated as of February 13, 2024, by and among Stronghold Digital Mining Holdings, LLC and Olympus Stronghold Services, LLC.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

STRONGHOLD DIGITAL MINING, INC.

Date: February 16, 2024

By: /s/ Gregory A. Beard

Name: Gregory A. Beard

Title: Chief Executive Officer and Chairman

THIRD AMENDMENT TO CREDIT AGREEMENT

This Third Amendment to the Credit Agreement (defined below) (this "Third Amendment") is entered into as of February 15, 2024, by and among Stronghold Digital Mining, Inc., a Delaware corporation ("Holdings"), Stronghold Digital Mining Holdings, LLC, a Delaware limited liability company (the "Borrower"), each Subsidiary of the Borrower listed as a "Guarantor" on the signature pages hereto (together with Holdings, each a "Guarantor" and collectively, the "Guarantors"), the Lenders (as defined below) party hereto, Whitehawk Capital Partners LP ("Whitehawk Capital"), as collateral agent for the Lenders (in such capacity, together with its designees, successors and assigns, the "Collateral Agent") and Whitehawk Capital, as administrative agent for the Lenders (in such capacity, together with its designees, successors and assigns, the "Administrative Agent" and together with the Collateral Agent, each an "Agent" and collectively, the "Agents") and the Lenders (as defined below) party hereto.

WITNESSETH

WHEREAS, Holdings, the Borrower, each Guarantor, Whitehawk Finance LLC and/or its Affiliates or designees and the other lenders from time to time party thereto (each a "Lender" and collectively, the "Lenders"), and the Agents are party to that certain Credit Agreement dated as of October 27, 2022 (i) as amended by that certain First Amendment dated as of February 6, 2023, (ii) as amended by that certain Second Amendment dated as of March 28, 2023 and (iii) as further amended from time to time, the "Credit Agreement") pursuant to which the Lenders have agreed to make Loans available to the Borrower;

WHEREAS, Section 7.02(e) of the Credit Agreement does not permit the Loan Parties or their Subsidiaries to purchase any new "miners" except as set forth therein without the prior written consent of the Agent and the Required Lenders;

WHEREAS, the Loan Parties seek to purchase the December 2023 Purchase Miners;

WHEREAS, Section 2.05(c)(vii) of the Credit Agreement require that 100% cash proceeds of any issuances of Equity Interests by Holdings and/or the Borrower (other than to Holdings), the Borrower shall pay to reduce the then unpaid and/or capitalized interest as a result of the Borrower exercising the PIK Option;

WHEREAS, the Borrower and Holdings have requested that the Lenders and the Agent (i) permit the purchase of the December 2023 Purchase Miners and (ii) waive the prepayment requirement of Section 2.05(c)(vii) of the Credit Agreement with respect to cash proceeds of the December 2023 Equity Raise;

WHEREAS, the Borrower, Holdings, Lenders and the Agents wish to make certain other amendments to the Credit Agreement as provided below subject to the terms and conditions hereinafter set forth; and

NOW, THEREFORE, in consideration of the mutual agreements contained in this Third Amendment and herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby mutually agree as follows:

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Defined Terms. Each capitalized term used herein and not defined herein shall have the meaning ascribed to such term in the Credit Agreement.

2. Waiver and Agreement. The undersigned Agent and Lenders (constituting all of the Lenders under the Credit Agreement), effective upon the Third Amendment Effective Date, hereby (a) consent to the Loan Parties purchasing the December 2023 Purchase Miners, so long as, such December 2023 Purchase Miners are purchased from cash proceeds of the December 2023 Equity Raise and such December 2023 Purchase Miners are Collateral (and not subject to any other Liens other than Liens in favor of the Agent) and (b) waive the prepayment requirement of Section 2.05(c)(vii) of the Credit Agreement with respect to cash proceeds of the December 2023 Equity Raise, provided in each case of clauses (a) and (b) subject to the terms and conditions of this Third Amendment and the Lenders receipt of \$3,230,522.82, which amount represents amortization payments of the Term Loan that are otherwise due on July 31, 2024 and August 30, 2024; provided further that failure to comply with any of the waiver condition set forth in clauses (a) and (b) and in the first proviso above (i) shall nullify the foregoing waivers, (ii) shall cause such waivers shall be of no force and effect and (iii) shall constitute an immediate Event of Default under the Credit Agreement, including as a result of breaches of Sections 2.05(c)(vii) and 7.02(e) of the Credit Agreement.

3. Amendments to the Credit Agreement. Subject to the satisfaction (or waiver in writing by the Administrative Agent and undersigned Lenders which constitute at least Required Lenders) of the conditions set forth in Section 3 hereof and in reliance on the representations and warranties of the Loan Parties set forth in this Third Amendment and in the Credit Agreement, in accordance with Section 10.01 of the Credit Agreement, the Borrower, Holdings, Administrative Agent and each of the Lenders hereby agree that the Credit Agreement is amended and modified as follows:

(a) *Existing Definition*: The defined term “Permitted Disposition” in the Credit Agreement is hereby amended as follows: (A) by deleting the “and” at the end of clause (m) thereof; by replacing the “.” At the end of clause (n) thereof with “; and” and (C) by inserting a new clause (o) immediately after clause (n) thereof to read as follows: “(o) Transformer and Breaker Sale, but only so long as such Transformer and Breaker Sale is for 100% cash consideration (received at the time of such Disposition) or other consideration reasonably acceptable to the Administrative Agent.”

(b) *New Definitions*: As used herein, the following terms shall have the following meanings given to them below, and the Credit Agreement and the other Loan Documents are hereby amended to include the following in alphabetical order:

i) “December 2023 Equity Raise” means, the Qualified Equity Financing in an aggregate amount equal to \$15,433,000 pursuant to that certain Securities Purchase Agreement dated as of December 21, 2023 between Holdings and Armistice Capital Master Fund Ltd.

ii) “December 2023 Purchase Miners” means, collectively, (i) 2,800 new Bitmain S19K Pro miners (115-120 TH/s per miner, 23 J/T efficiency) purchased from Luxor Technology Corporation (“Luxor”) for an aggregate purchase price of \$4,722,936, (ii) 1,100 new MicroBT Whastminer M50 miners (120 TH/s per miner, 27 J/T efficiency) purchased from Luxor for an aggregate purchase price of \$995,101, and (iii) 1,100 new Avalon A1346 miners (123 TH/s per miner, 28.9 J/T efficiency) purchased from Canaan Creative Global Pte. Ltd. (“Canaan”) for an aggregate purchase price of \$1,891,835.

iii) “Transformer and Breaker Sale” means, Disposition of two (2) 115kV to 13.8kV – 30/40/50 MVA transformers and two (2) 145kV SF6 breakers.

iv) “Third Amendment” means the Third Amendment to this Agreement dated as of February __, 2024.

v) “Third Amendment Effective Date” has the meaning specified therefor in the Third Amendment.

(c) Section 2.05(c)(iv) of the Credit Agreement is hereby amended and restated to read as follows:

within five (5) Business Days following the receipt of Net Cash Proceeds of any Disposition (excluding Dispositions which qualify as Permitted Dispositions under clauses (b) through (f) and (h) through (k) of the definition of “Permitted Disposition”) by any Loan Party or its Subsidiaries pursuant to Section 7.02(c)(ii)(B), the Borrower shall prepay the outstanding principal amount of the Term Loans in accordance in an amount equal to 100% of the Net Cash Proceeds of such excess received by such Person in connection with such Permitted Disposition to the extent that the aggregate amount of Net Cash Proceeds received by all Loan Parties and their Subsidiaries (and not paid to the Administrative Agent as a prepayment of the Term Loans) shall exceed for all such Permitted Dispositions \$1,000,000 in any Fiscal Year (provided that such \$1,000,000 exclusion shall not apply with respect to proceeds of sale of Dispositions permitted under clauses (l) and (o) of the definition of “Permitted Disposition”). Nothing contained in this subsection (iv) shall permit any Loan Party to make a Disposition of any property other than in accordance with Section 7.02(c)(ii).

(d) Section 2.05(c)(v) of the Credit Agreement is hereby amended and restated to read as follows:

Notwithstanding the foregoing, with respect to Net Cash Proceeds received by any Loan Party in connection with a Permitted Disposition or the receipt of Extraordinary Receipts consisting of insurance proceeds or condemnation awards that are otherwise required to be used to prepay the Obligations such Permitted Dispositions and Extraordinary Receipts shall not be required to be so used to prepay the Obligations to the extent that such Net Cash Proceeds and Extraordinary Receipts are used to acquire, replace, repair or restore properties or assets used in the Borrower's and its Subsidiaries' business, *provided* that, (A) no Default or Event of Default has occurred and is continuing on the date such Person receives such Net Cash Proceeds or Extraordinary Receipts, (B) the Borrower delivers a certificate to the Administrative Agent within five (5) Business Days (or such longer time as the Administrative Agent shall permit in its sole discretion) after the receipt of such Net Cash Proceeds or Extraordinary Receipts resulting from such Disposition or loss, destruction or taking, as the case may be, stating that such Net Cash Proceeds or Extraordinary Receipts shall be used to acquire, replace, repair or restore properties or assets used in such Person's business within a period specified in such certificate not to exceed one hundred and eighty (180) days after the date of receipt of such Net Cash Proceeds, (C) pending any such reinvestment, such Net Cash Proceeds shall be deposited in an account subject to an Account Control Agreement, and (D) upon the earlier of (1) the expiration of the period specified in the relevant certificate furnished to the Administrative Agent pursuant to clause (B) above or (2) the occurrence of a Default or an Event of Default, such Net Cash Proceeds, if not theretofore so used, shall be used to prepay the Obligations in accordance with Section 2.05(c)(vi) (provided that such repayment shall not apply with proceeds of the respect to proceeds of sale of Dispositions permitted under clauses (l) and (o) of the definition of "Permitted Disposition").

(e) Section 2.05(c)(vii) of the Credit Agreement is hereby amended by adding the following immediately prior to the "." at the end thereof: "(provided that such repayment shall not be required with respect to proceeds of December 2023 Equity Raise, so long as such proceeds are utilized for the purchase of December 2023 Purchase Miners and for general corporate purposes of the Loan Parties (including an aggregate amount not to exceed \$250,000 for the Loan Parties' carbon capture development)".

(f) Section 7.03(b) of the Credit Agreement is hereby amended and restated to read as follows:

At all times, Liquidity shall not be less than: (A) until June 30, 2025, \$2,500,000 and (B) from and after July 1, 2025, \$5,000,000.

4. Conditions Precedent. This Third Amendment shall become effective (the "Third Amendment Effective Date") immediately when:

(a) The Administrative Agent shall have received in .pdf format (followed promptly by originals to the extent requested by the Administrative Agent) counterparts of this Third Amendment, executed by an Authorized Officer of each Loan Party, the Administrative Agent, the Collateral Agent and the Lenders.

(b) On the date hereof, after giving effect to the transactions contemplated by this Third Amendment the representations and warranties of the Borrower and each other Loan Party contained in Article VI of the Credit Agreement or any other Loan Document are true and correct in all material respects on and as of the date hereof; *provided* that, to the extent that such representations and warranties specifically refer to an earlier date, they are true and correct in all material respects as of such earlier date; *provided further* that, any representation and warranty that is qualified as to “materiality”, “Material Adverse Effect” or similar language are true and correct (after giving effect to any qualification therein) in all respects on such respective dates, and except that for purposes of this Section 3, the representations and warranties contained in Section 6.01(g) of the Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to Section 7.01(a) of the Credit Agreement.

(c) The Lenders (or the Administrative Agent on behalf of the Lenders) shall have received \$3,230,522.82, which amount represents amortization payments of the Term Loan that are otherwise due on July 31, 2024 and August 30, 2024.

5. Representations and Warranties. Each Loan Party hereby represents and warrants to each Agent and each Lender that:

(a) The Loan Parties are in compliance in all material respects with all of the terms and provisions set forth in the Credit Amendment and the other Loan Documents on their part to be observed or performed thereunder.

(b) No Default or Event of Default has occurred and is continuing, or would result from, this Third Amendment.

(c) (i) The execution, delivery and performance by such Loan Party of this Third Amendment has been duly authorized by all necessary corporate or other organizational action and (ii) this Third Amendment constitutes a legal, valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its terms, except as such enforceability may be limited by Debtor Relief Laws and by general principles of equity and principles of good faith and fair dealing.

(d) The execution and delivery of this Third Amendment and the performance by such Loan Party (i) does not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except (x) such as have been obtained or made and are in full force and effect or to be made and (y) such consents, approvals, registrations, filings, or other actions the failure to obtain or make which could not be reasonably expected to have a Material Adverse Effect, (ii) will not violate any (x) of such Loan Party's organizational documents or (y) requirements of law applicable to such Loan Party which violation, in the case of this clause (ii)(y), could reasonably be expected to have a Material Adverse Effect and (iii) will not violate or result in a default under any material Contractual Obligation to which such Loan Party is a party which violation, in the case of this clause (iii), could reasonably be expected to result in a Material Adverse Effect.

6. Governing Law. This Third Amendment and all disputes between the parties under or relating to this Third Amendment or the facts or circumstances leading to its execution, whether in contract, tort or otherwise, shall be construed in accordance with and governed by the laws (including statutes of limitation) of the State of New York, without regard to conflicts of law principles that would require the application of the laws of another jurisdiction.

7. Entire Agreement; Effect of Waivers. This Third Amendment, and the terms and provisions hereof, and the documents referenced herein, constitute the entire agreement among the parties pertaining to the subject matter hereof and supersede any and all prior or contemporaneous provisions relating to the subject matter hereof. There are no oral agreements among the parties pertaining to the subject matter hereof. The Credit Agreement and the other Loan Documents shall be and remain in full force and effect in accordance with its respective terms and hereby is ratified and confirmed in all respects. The execution, delivery, and performance of this Third Amendment shall not, except as expressly set forth herein, operate as a consent to, as a waiver of or as an amendment of, any right, power, or remedy of the Administrative Agent, the Collateral Agent or any Lender under the Loan Documents nor constitute a consent, waiver or modification of any provision of any of the Loan Documents or any Default or Event of Default thereunder that exists on the Third Amendment Effective Date. This Third Amendment is a "Loan Document" for all purposes.

8. Miscellaneous.

(a) This Third Amendment shall not constitute a modification of the Credit Agreement or a course of dealing with the Administrative Agent, the Collateral Agent or any Lender at variance with the Credit Agreement or any other Loan Document such as to require further notice by the Administrative Agent, the Collateral Agent or any Lender to require strict compliance with the terms of the Credit Agreement and the other Loan Documents in the future, except, in each case, as expressly set forth herein.

(b) The Loan Parties hereby reaffirm their obligations, guarantees and covenants and reaffirm that their obligations, guarantees and covenants continuing and that the Loan Parties' Obligations are secured by the Collateral, the guaranties and all of the terms, conditions, provisions, agreements, requirements, promises, obligations, duties, covenants and representations of the signatories thereof under each Loan Document and agreements entered into with respect to the Obligations, guarantees and covenants thereunder are hereby ratified and affirmed in all respects by each of them.

(c) This Third Amendment shall bind and inure to the benefit of the respective successors and permitted assigns of each of the parties hereto in accordance with the Credit Agreement and the other Loan Documents.

(d) This Third Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Third Amendment by telecopy or electronic .pdf copy shall be effective as delivery of a manually executed counterpart of this Third Amendment.

(e) The provisions of Section 12.01 (“Notices”), Section 12.02 (“Amendments, Etc.”), Section 12.06 (“Severability”), Section 12.09 (“Governing Law”), Section 12.10 (“Consent to Jurisdiction; Service of Process and Venue”), and Section 12.13 (“No Party Deemed Drafter”) of the Credit Agreement are hereby incorporated by reference into this Third Amendment, mutatis mutandis.

9. General Release.

(a) Each Loan Party hereby absolutely and unconditionally releases and forever discharges each Agent and each Lender, and any and all of their respective participants, parent corporations, subsidiary corporations, affiliated corporations, insurers, indemnitors, successors and assigns thereof, together with all of the present and former directors, officers, agents and employees of any of the foregoing (each a “Released Party”), from any and all claims, demands or causes of action of any kind, nature or description, whether arising in law or equity or upon contract or tort or under any state or federal law or otherwise, which any Loan Party has had, now has or has made claim to have against any such person for or by reason of any act, omission, matter, cause or thing whatsoever arising from the beginning of time to and including the date of this Third Amendment for or on account of, or in relation to, or in connection with any of the Credit Amendment, any of the Loan Documents or any of the transactions thereunder or related thereto, whether such claims, demands and causes of action are matured or unmatured or known or unknown. It is the intention of each Loan Party in providing this release that the same shall be effective as a bar to each and every claim, demand and cause of action specified, and in furtherance of this intention it waives and relinquishes all rights and benefits under any Applicable Law which provides that:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her might have materially affected his settlement with the debtor.”

(b) Each Loan Party, on behalf of itself and its successors, assigns, and other legal representatives, hereby absolutely, unconditionally and irrevocably, covenants and agrees with and in favor of each Released Party above that it will not sue (at law, in equity, in any regulatory proceeding or otherwise) any Released Party on the basis of any claim released, remised and discharged by any Loan Party pursuant to the above release. If any Loan Party or any of its successors, assigns or other legal representatives violates the foregoing covenant, such Loan Party, for itself and its successors, assigns and legal representatives, agrees to pay, in addition to such other damages as any Released Party may sustain as a result of such violation, all reasonable attorneys' fees and costs incurred by such Released Party as a result of such violation.

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

STRONGHOLD DIGITAL MINING HOLDINGS LLC, as Borrower

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

HOLDINGS (and a Guarantor):

STRONGHOLD DIGITAL MINING, INC.

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Chief Executive Officer

[Signature Page to the Third Amendment]

GUARANTORS:

LIBERTY BELL FUNDING LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

EIF SCRUBGRASS, LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

PANTHER CREEK POWER OPERATING, LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

STRONGHOLD DIGITAL MINING PENN, LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

STRONGHOLD DIGITAL MINING OPERATING, LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

SCRUBGRASS POWER LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

STRONGHOLD DIGITAL MINING LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

STRONGHOLD DIGITAL MINING EQUIPMENT, LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

SCRUBGRASS RECLAMATION COMPANY, L.P.

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

STRONGHOLD DIGITAL MINING BT, LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

STRONGHOLD DIGITAL MINING TH, LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

STRONGHOLD DIGITAL MINING HASHCO, LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

OLYMPUS PANTHER HOLDINGS, LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

PANTHER CREEK PERMITTING, LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

CLEARFIELD PROPERTIES, INC.

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

PANTHER OP INTEREST HOLDINGS, LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

STRONGHOLD DIGITAL MINING HOSTING, LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

STRONGHOLD CARBON CAPTURE, LLC

By: /s/ Gregory A. Beard
Name: Gregory A. Beard
Title: Authorized Person

[Signature Page to the Third Amendment]

COLLATERAL AGENT AND ADMINISTRATIVE AGENT:
WHITEHAWK CAPITAL PARTNERS LP, as Administrative Agent and
Collateral Agent

By: /s/ Robert A. Louzan

Name: Robert A. Louzan
Title: Managing Partner

[Signature Page to the Third Amendment]

LENDER:

WHITEHAWK FINANCE LLC

By: /s/ Robert A. Louzan
Name: Robert A. Louzan
Title: Managing Partner

[Signature Page to the Third Amendment]

TERMINATION AND RELEASE AGREEMENT

This TERMINATION AND RELEASE AGREEMENT (this "Agreement") is entered into as of February 13, 2024 (the "Effective Date"), by and among Stronghold Digital Mining Holdings, LLC, a Delaware limited liability company, ("Stronghold"), and Olympus Stronghold Services, LLC, a Delaware limited liability company ("Olympus SS").

WHEREAS, reference is made to that (i) certain Operations, Maintenance and Ancillary Services Agreement entered into between Stronghold and Olympus SS as of November 2, 2021 (as amended, supplemented or otherwise modified from time to time, the "OMA") (ii) certain Membership Interest Purchase Agreement, dated as of May 1, 2023, entered into between Olympus Services, LLC a Delaware limited liability company ("Olympus Services") and Stronghold (the "SG MIPA and Release"); and (iii) certain Membership Interest Purchase Agreement, dated as of June 1, 2023, entered into between Olympus Services and Stronghold (the "PC MIPA and Release");

WHEREAS, the parties hereto desire to (i) terminate the OMA and release the parties thereto from certain liabilities and obligations thereunder, as specified herein, while keeping certain liabilities that were not released in either the SG MIPA and Release and the PC MIPA and Release outstanding and not released by this Agreement, which liabilities are listed in Annex A hereto (such listed liabilities, individually an "Unreleased Obligation" and, collectively, the "Unreleased Obligations"); and (ii) provide that certain payments relating to the tax credit amount owed to Panther Creek Reclamation Holdings, LLC, an affiliate of Olympus SS ("PCRH"), pursuant to that certain, Equity Capital Contribution Agreement, by and among Panther Creek Reclamation Holdings, LLC and Stronghold Digital Mining Holdings, LLC dated as of July 9, 2021 (the "ECCA") that are due and payable from Stronghold, and its affiliates, to Olympus SS or its affiliates be made.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1) Termination of OMA. As of the Effective Date, the parties to the OMA hereby absolutely, irrevocably and unconditionally terminate the OMA, and rescind, annul, cancel, repeal and eliminate any and all clauses, provisions, covenants, agreements, rights, obligations, responsibilities or liabilities (in all cases, whether of payment or otherwise) contained in or existing or arising under the OMA, whether prior to, on or after the date hereof. From and after the date hereof, the OMA shall be of no force and effect, automatically and without any further action on the part of the parties thereto or any other person or entity.

2) Survival of Tax Credit Amounts under ECCA. Notwithstanding Section 1, Stronghold's obligation to make the retained asset payment required under section 3.16 of the ECCA shall not be discharged or limited by operation of Section 1 until such payment is made in full by Stronghold to PCRH. The parties agree, however, that Stronghold's obligation to remit such payment will become immediately due and payable by Stronghold only at such time as any legislation duly passed by the Pennsylvania state legislature amends the Pennsylvania Coal Refuse Energy and Reclamation Tax Credit Program to increase the total value of the tax credits that may be issued under that program by the Department of Community and Economic Development of the Commonwealth of Pennsylvania above the level authorized by such program as of June 30, 2023. Upon such an event, the amount payable to PCRH shall be \$107,807.90.

3) Acknowledgment of Valid Termination; Waiver of Equitable Arguments. Each Party hereby expressly acknowledges that the termination of the OMA pursuant to this Agreement is a consensual, valid and legally binding action of such Party, and each Party hereto irrevocably waives any argument in law or equity contesting the validity of such termination. In furtherance of the preceding sentence, each of the Parties expressly waives any notice requirement under Section 6.3 of the OMA that might apply to the execution and/or performance of obligations under this Agreement by any Party.

4) Mutual Release. In consideration of the covenants, agreements and undertakings of the Parties under this Termination Agreement, subject to the exclusions set forth in the last sentence of this paragraph, each Party, on behalf of itself and its respective present and former, direct and indirect, parents, subsidiaries, affiliates, employees, officers, directors, shareholders, members, partners, lenders, agents, representatives, permitted successors and permitted assigns, or controlling persons (within the meaning of Rule 12b-20 under the Securities Exchange Act of 1934, as amended), (collectively, "Releasors") hereby releases, waives and forever discharges the other Party and its respective present and former, direct and indirect, parents, subsidiaries, affiliates, employees, officers, directors, shareholders, members, partners, lenders, agents, representatives, permitted successors and permitted assigns, or controlling persons (within the meaning of Rule 12b-20 under the Securities Exchange Act of 1934, as amended), including, without limitation, with respect to Olympus SS, Olympus Services, and Olympus Power, LLC, a Delaware limited liability company, and with respect to Stronghold, Stronghold Digital Mining, Inc., a Delaware corporation (collectively, "Releasees"), of and from any and all actions, causes of action, suits, losses, liabilities, rights, debts, dues, sums of money, accounts, reckonings, obligations, costs, expenses, liens, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and demands, of every kind and nature whatsoever, whether now known or unknown, foreseen or unforeseen, matured or unmatured, suspected or unsuspected, in law or equity (collectively, "Claims"), which any of such Releasors ever had, now have, or hereafter can, shall, or may have against any of such Releasees for, upon, or by reason of any matter, cause, or thing whatsoever from the beginning of time through the date of this Termination Agreement arising out of or relating to the OMA. For the avoidance of doubt, the release by the Releasors of the Releasees hereunder shall exclude, and shall not apply to, any Unreleased Obligation.

5) Entire Agreement. This Agreement contains all of the terms and conditions agreed upon by the parties hereto relating to the subject matter of this Agreement and supersedes all prior agreements, negotiations, correspondence, undertakings and communications of the parties hereto, whether oral or written, respecting that subject matter.

6) Amendment: Definitions. No amendment or modification of the terms of this Agreement shall be binding on any party hereto unless such amendment is reduced to writing and signed by the party hereto against whom enforcement is sought. Any capitalized term used herein that is not otherwise defined shall have the meaning set forth in the OMA.

7) Counterparts. This Agreement may be executed in any number of counterparts, and each executed counterpart shall have the same force and effect as an original instrument. Delivery of an executed signature page of this Agreement by facsimile or other electronic image scan transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

8) Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assignees, and this Agreement is not intended to confer upon any other person or entity any rights or remedies hereunder. Notwithstanding the foregoing, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assignees.

9) Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement in such jurisdiction or invalidate or render unenforceable any term or provision in any other jurisdiction.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, this Agreement is executed as of the day and year first above written.

STRONGHOLD DIGITAL MINING HOLDINGS, LLC

BY: Stronghold Digital Mining, Inc., its managing member

/s/ Gregory A. Beard

Name: Gregory A. Beard

Title: CEO

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By: /s/ Sean P. Lane
Name: Sean P. Lane
Title: Authorized Representative

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Annex A

Unreleased Obligations

- 1. Any obligation under Section 6.04 (Reimbursement for Run-off Costs) of the SG MIPA and Release.**
 - 2. Any obligation under Section 6.04 (Reimbursement for Run-off Costs) of the PC MIPA and Release.**
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