



March 26, 2025

Dear Ionic Stockholders:

As the first quarter of 2025 comes to an end, we continue to drive forward with momentum and are making remarkable progress on our 2025 strategic initiatives, and we encourage you to read our January and February 2025 Mining and Operations Updates in full by visiting [www.ionicdigital.com](http://www.ionicdigital.com). This is stockholder letter #1 of several, as we intend to provide transparent updates and correct the misinformation being spread by self-interested non-stockholders of Ionic. You can expect additional letters in the coming weeks.

As we continue to execute our 2025 strategic initiatives, provide a realistic path toward liquidity as quickly as possible, and maximize stockholder value, it is essential we maintain our strong independent leadership. Therefore, we repeat our recommendation that stockholders vote “FOR” the Company’s highly qualified director nominee for election to the Company’s Board of Directors, Elizabeth LaPuma, by using the WHITE proxy card.

Additionally, as you may be aware, on March 3, 2025, we informed stockholders of record—Brett Perry, Veton Vejseli, and Christopher Villinger—that their Director Nomination Notice (the “Notice”) for Figure Markets’ nominee, Michael Abbate, and GXD’s recommended candidate, Oliver Wiener, failed to meet the requirements set forth in the Company’s Bylaws.

Specifically, the Notice omitted several critical pieces of information regarding undisclosed agreements among the nominating stockholders and Figure Markets and GXD. Furthermore, the Notice referenced but did not include other agreements between Mr. Perry, Mr. Vejseli, and Mr. Villinger and the non-stockholder financial backers supporting their nominations, including Mike Cagney, his company Figure Markets, and a founder of GXD Labs (collectively, the “Group”).

As a result, the Notice failed to validly nominate the proposed candidates for election to the Board at our Annual Meeting because it did not comply with the Company’s clearly stated Bylaws.

While the Board has rejected the invalid Notice and the Company will not recognize the two purported nominees named in the Notice at our Annual Meeting, we want to set the record straight about some of the many false and misleading claims being made by the Group. The Group is waging a baseless smear campaign designed to mislead Ionic stockholders about the Company’s business and governance practices, the Board’s independent director nominee, and the true self-interested intentions of the non-stockholder members of the Group who are seeking to use Ionic to award lucrative contracts to themselves to the detriment of you, the owners of Ionic.

### **Setting the Record Straight**

**We are committed to ensuring that stockholders have the facts before making critical decisions about the future of their Company. It is essential to set the record straight by providing accurate and necessary context to counter the false and misleading statements spread by the self-interested members of the Group.**

#### **Business Performance**

**Group’s Claim:** The Board’s actions to date have not been sufficient to implement the actions necessary to drive greater stockholder value, leading to what they claim is ‘a continued decline in stockholder equity’.



### **Setting the Record Straight:**

- Since its incorporation in January 2024 and since Ms. LaPuma's appointment as Board Chair in October 2024, Ionic's Board and management have made significant progress to drive greater stockholder value:
  - Fully energized the 215-megawatt Cedarvale facility in Texas on schedule;
  - Mined 2,370 Bitcoin across all of its mining locations. As of February 28, 2025, the Company held 2,519.58 Bitcoin on its balance sheet, while exercising diligent risk management;
  - Maintained a zero-debt position and made significant infrastructure investments;
  - Rightsized operational expenses and replaced operational and administrative; management with Ionic personnel and trusted vendors following a thorough review by an independent global advisory firm and the Board's determination that its third-party manager was in breach of its contractual agreement with Ionic; and
  - The Audit Committee engaged the national accounting firm BDO as the Company's new auditor following an extensive evaluation process. The Board and management have been working closely with BDO to complete the Company's 2024 audit, laying the foundation for liquidity options for stockholders in 2025.
- Despite the unnecessary and value destructive legal actions of Figure Markets and GXD Labs designed to waste the Company's resources, Ionic is meticulously managing its balance sheet and maintaining its HODL strategy to ensure it is positioned to capitalize on near- and long-term industry tailwinds.
- The Board and management team remain committed to responsible corporate governance with a focus on managing risk and positioning Ionic for the future.

### **Board of Directors**

**Group's Claim:** Although the Board has rejected the invalid Notice and the Company will not recognize their two purported nominees at our Annual Meeting, certain members of the Group continue to make misleading statements that their purported nominees, Michael Abbate and Oliver Wiener, are best suited to serve on Ionic's Board.

### **Setting the Record Straight:**

- Career hedge funder Michael Abbate is a current advisor, shareholder (owning approximately 1.5% of outstanding shares of Figure Markets as of February 14, 2025), and former Chief Investment Officer to Figure Markets, presenting a direct conflict of interest if elected to Ionic's Board.
- It is clear that Mr. Abbate's primary objective is to push for the listing of Ionic's shares on Figure Markets' ATS (which has never had a company listed on it) to serve his and Mr. Cagney's own financial interests at the expense of Ionic stockholders.
- Mr. Abbate claims to have "extensive familiarity" with Ionic. However, any familiarity he has is solely the result of a failed bid by NovaWulf Digital Management, LP ("NovaWulf"), of which he was the Managing Partner, to control Celsius' Bitcoin, Ethereum, and Bitcoin mining assets (now Ionic) during the court-supervised auction process.
- NovaWulf was dismissed by Celsius and the Official Committee of Unsecured Creditors who selected an alternative investor due to a superior bid as well as Mr. Abbate's role in filing a lawsuit involving a competing bidder in an effort to undermine the Court-ordered marketing process.
- Abbate is unable to accept his defeat and is intent on reviving his previously failed attempt to control Celsius's Bitcoin, Ethereum, and Bitcoin mining assets during the court-supervised auction.
- Former FTX insider Oliver Wiener similarly cannot be trusted with the future of Ionic. Among other dubious distinctions, Wiener previously served on FTX's advisory board, which failed to prevent the company's catastrophic collapse, and devastated the lives and finances of FTX's millions of users.
- More specifically, prior to his departure from Standard Industries where he served as a Portfolio Manager, Mr. Wiener led Standard Industries' investment in FTX, displaying his inadequacy in assessing investment risks.



- As Mr. Wiener's experience includes investing in and advising fraudulent crypto exchanges, his track record shows that he has no business representing Ionic stockholders on the Board.

**Group's Claim:** Elizabeth LaPuma is unfit to serve on the Board as her time is occupied by other board positions.

#### **Setting the Record Straight:**

- Following more than 20 years as a financial advisor and investment banker, Ms. LaPuma transitioned to serve as a professional fiduciary.
- Ms. LaPuma is regularly asked by boards and investment firms to develop strategic pathways for companies at all stages – whether navigating operational challenges, transitions, financial uncertainty, or seeking to accelerate growth and maximize long-term potential.
- Like numerous other professional fiduciaries, Ms. LaPuma's other engagements do not conflict or in any way detract from her commitment to Ionic, where she remains laser-focused on maximizing shareholder value.
- During her time as a Director since the Company's incorporation in January 2024 and as Board Chair of Ionic since October 2024, Ms. LaPuma has been actively involved in all key business decisions, including providing liquidity pathways for stockholders.
- As previously stated, under Ms. LaPuma's leadership and guidance, and driven by the Company's management team, Ionic has:
  - Fully energized its 215-megawatt Cedarvale facility in Texas on schedule;
  - Mined more than 2,300 Bitcoin (as of 2/28/25) while exercising diligent risk management and maintaining a zero-debt position;
  - Rightsized operational expenses and replaced operational and administrative management with Ionic personnel and trusted vendors following a thorough review by an independent global advisory firm and the Board's determination that its third-party manager was in breach of its contractual agreement with Ionic; and
  - Exercised responsible corporate governance with a focus on managing risk and positioning Ionic for the future.

**Group's Claim:** Elizabeth LaPuma only works for companies preparing for or going through bankruptcy, she is pushing for Ionic to restructure, and profits from bankruptcies by selling educational courses.

#### **Setting the Record Straight:**

- This is yet another fabricated claim made by the Group that has absolutely zero truth.
- Ms. LaPuma is not an 'advocate' for bankruptcy or restructuring. Rather, Ms. LaPuma is a widely recognized and respected financial advisor and is known for both helping companies accelerate growth to maximize long-term potential and guiding companies through operational challenges, transitions, and financial uncertainty.
- She currently and previously served as an independent director to companies at all stages of their lifecycles including, Enterra Solutions, a private market-leading industrial scale artificial intelligence value chain solutions provider, U.S. Silica, a diversified minerals company and logistics provider to the oil and gas industry, ContextLogic, a publicly traded company seeking to develop and grow a de novo business, Foundation Home Loans, a specialist UK mortgage lender, Roundhill Capital Partners, a private real estate fund, and Ventura Capital, a private equity firm.
- Further, since her appointment as Board Chair in October 2024, she has overseen foundation-setting progress at Ionic, including the energization of Cedarvale, and the review and ultimate termination of the MSA with its third-party manager, a process she oversaw as Chair of the Audit Committee.
- In her time as Director and Chairwoman of Ionic, she is executing on the Company's strategy to provide a reliable path towards providing liquidity to stockholders while maximizing value.



- The idea that Ms. LaPuma sells bankruptcy courses online is ludicrous. Ms. LaPuma is often invited by universities, corporations and investment firms to speak on panels and at industry events.
- Among other things, Ms. LaPuma has participated on panels hosted by Practising Law Institute (PLI), a prominent non-profit continuing legal education (CLE) organization that invites experts like Ms. LaPuma to volunteer their time to produce educational courses. Ms. LaPuma was not paid by PLI to participate, nor does she receive any fees or compensation from PLI or viewers of the online courses.
- PLI offers thousands of CLE courses and webinars that are attended by lawyers (including the Group's counsel) which are required in many states in order to retain their licenses to practice law.

### Stockholder Transparency

**Group's Claim:** The Group states that they are committed to being transparent with stockholders.

#### **Setting the Record Straight:**

- While members of the Group claim to be transparent with stockholders, they are spreading false and misleading information about Ionic's business and Ms. LaPuma to mask their true intentions, which are to advance the financial interests of wealthy hedge funders who have a documented history of questionable business ethics.
- The stockholders of record are intentionally withholding information from stockholders through a Coordination and Confidentiality Agreement ("CCA") with Figure Markets and GXD.
- Further, during the discovery process in the recent legal dispute in the Delaware Court of Chancery, Ionic's legal counsel was repeatedly and improperly blocked from accessing and obtaining discovery of information regarding the case, leading the Court to rule that Ionic has the right to seek legal fees from GXD.

**Group's Claim:** Figure Markets and GXD are engaging in this campaign for the benefit of stockholders.

#### **Setting the Record Straight:**

- Having lost the original bankruptcy auction for Celsius' mining assets, Figure Markets is preying on Ionic as a Guinea pig for its unproven Alternative Trading System, which does not currently have any listed companies trading on it.
- Mr. Cagney and Mr. Abbate's stated intention is to list Ionic shares on Figure Markets as a 'test case', which the Board believes poses significant risk to the value of Ionic stock.
- Listing on an unproven ATS that a purported Director Nominee is an advisor and shareholder of is both a severe conflict of interest and not in the best interest of Ionic stockholders.

**Group's Claim:** Voting for purported nominees Michael Abbate and Oliver Wiener will deliver change.

#### **Setting the Record Straight:**

- Voting for the Group's two purported nominees Michael Abbate and Oliver Wiener will not deliver positive change and will instead enrich the non-stockholder members of the Group by engaging Ionic in lucrative and value-destructive contracts with Figure Markets and GXD at the expense of stockholders.
- The current Board and management team has successfully enacted and adapted to change several times during its inaugural year and intends to continue to make changes to its business and strategy if it is determined to be in the best interest of stockholders and positions the Company for long-term success.
- Voting for the Company's independent director nominee, Elizabeth LaPuma, by using the WHITE proxy card is a vote for positive change, a legitimate and established path towards liquidity, and a vote to continue to control the future of the Company and keep it out of the hands of self-interested investors.



### Stockholder Liquidity

**Group's Claim:** Listing Ionic shares on Figure Markets' ATS is a faster and more certain path toward liquidity compared to listing on a national securities exchange or conducting complementary or alternative transactions to maximize value and provide liquidity to stockholders.

#### **Setting the Record Straight:**

- Figure Markets is an unproven ATS and does not currently have any listed companies trading on it, as Mr. Abbate has admitted.
- Mr. Cagney is a non-stockholder of Ionic, and co-founder of Figure Markets, and the Board believes he is acting through stockholders of record to run an unnecessary and value-destructive campaign to advance his own financial interests at the expense of Ionic stockholders.
- Mr. Cagney sees Ionic stockholders as potential customers of his unproven ATS; he sees a captive market of approximately 80,000 stockholders that he will use to squeeze profit for himself and Figure's investors, with Ionic stockholders bearing the risk.
- Mr. Cagney has his eyes set on Ionic as the last cog he needs to build his ATS. However, Figure Markets' ATS is not valuable for Ionic stockholders because it is an experiment with no proof of concept. The Board believes Figure Markets' ATS has a low probability of providing stockholders with any value.
- Additionally, listing on an ATS such as Figure Markets is not a faster or more certain path towards liquidity.
- The Ionic Board prioritizes transactions that maximize value and provide liquidity to stockholders and believes that listing on a national securities exchange or engaging in complementary or alternative transaction will provide greater benefits than an unproven ATS.

### Corporate Governance

**Group's Claim:** The reduction in the size of Ionic's Board from six to five is illegal, as it was not done in a timely manner, and was done to prevent stockholders from seeking board refreshment.

#### **Setting the Record Straight:**

- Under the Company's bylaws following its incorporation in January 2024, the Board was to be comprised of six Class A Director seats, and two Class B Director seats, the latter of which were to be designated to appointees from its third-party manager that has since been terminated.
- The setting of the size of the board as five instead of six directors was a business decision by the Board, which is entirely consistent with the Company's bylaws, and gives the Board the authority to raise or lower the size of the Board.
- The reduction of the size of the board from an even number to an odd number also eliminated the future possibility of a directorial deadlock, which is a matter of good corporate governance.
- Further, the Company published its amended bylaws on its website on February 20, 2025, which differs from the Group's claim that it was added after the Group had submitted their Notice.
- Additionally, the Board voted to dissolve the Emergence Committee as of February 1, 2025, to further minimize board-related expenses.

**Do not be distracted by the value-destructive campaign being driven by the Group.**



**YOUR VOTE IS IMPORTANT: Ionic has achieved foundation-setting progress in its inaugural year.**

Vote “FOR” Ionic’s highly qualified nominee, Elizabeth LaPuma, by using the WHITE proxy card, to continue the remarkable progress, maximize value, and provide a legitimate path towards liquidity.

Thank you for your continued support.

Sincerely,

*/s/ Anthony McKiernan*

Anthony McKiernan  
Interim Chief Executive Officer

*/s/ Thomas DiFiore*

Thomas DiFiore  
Director

*/s/ Scott Duffy*

Scott Duffy  
Director

*/s/ Scott Flanders*

Scott Flanders  
Director

*/s/ Elizabeth LaPuma*

Elizabeth LaPuma  
Chair