

**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): April 9, 2021

CLEANSARK, INC.
(Exact name of Registrant as specified in its charter)

Nevada
(State or Other Jurisdiction
of Incorporation)

001-39187
(Commission File Number)

87-0449945
(IRS Employer
Identification No.)

1185 S. 1800 West, Suite 3
Woods Cross, Utah 84087
(Address of Principal Executive Offices)

(702) 941-8047
(Registrant's Telephone Number, Including Area Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	CLSK	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.

On April 9, 2021, CleanSpark, Inc., a Nevada corporation (the “Company”), entered into agreements (the “April 9 Agreements”) with two premier cryptocurrency mining equipment suppliers, pursuant to which the Company purchased an aggregate of 1,600 mining servers. As compensation for these mining servers, the Company paid the suppliers an aggregate of \$18,755,550. Pursuant to the April 9 Agreements, the Company currently expects to receive 300 of the servers in April 2021, 200 of the servers in May 2021, and the remaining 1,100 servers in June 2021.

On April 14, 2021, the Company entered into agreements (the “April 14 Agreements”) with two premier cryptocurrency mining equipment suppliers, pursuant to which the Company agreed to purchase an aggregate of 19,200 mining servers. As compensation for these mining servers, the Company agreed to pay the suppliers an aggregate of \$136,190,400, of which (i) \$34,047,600 was payable immediately, (ii) \$47,666,640 is payable no later than six months prior to shipment of certain of such servers, and (iii) \$54,476,160 is payable in twelve equal monthly installments commencing June 2021. Pursuant to the April 14 Agreements, the Company currently expects to receive 1,600 servers a month for a period of 12 months starting August 2021.

The Company plans to use the mining servers purchased under the April 9 Agreements and April 14 Agreements (together, the “Agreements”) to expand its digital currency mining activities through its wholly-owned subsidiaries.

The foregoing description of the Agreements does not purport to be complete, and is qualified in its entirety by reference to the complete text of such Agreements, the forms of which will be filed as exhibits to the Company’s next periodic report.

Item 7.01 Regulation FD Disclosure.

On April 15, 2021, the Company issued a press release providing an update with respect to its recent purchases of Bitcoin mining equipment, including under the Agreements and other similar recent contracts, and its future plans with respect to its cryptocurrency mining activities. A copy of this press release is attached hereto as Exhibit 99.1 and is being furnished with this Current Report on Form 8-K (“Current Report”).

The information set forth under Item 7.01 of this Current Report, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of such section. The information in Item 7.01 of this Current Report, including Exhibit 99.1, shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any incorporation by reference language in any such filing, except as expressly set forth by specific reference in such a filing. This Current Report will not be deemed an admission as to the materiality of any information in this Current Report that is disclosed solely pursuant to this Item 7.01.

Forward Looking Statements

This Current Report, including Exhibit 99.1 attached hereto, contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact contained in this Current Report, including statements regarding the expected delivery dates of the mining servers, the Company’s digital currency mining activities, clean energy initiatives, business strategy, and plans are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that may cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. In addition, projections, assumptions and estimates of the Company’s future performance, its clean energy initiatives, future profitability associated with mining cryptocurrencies, and the future performance of the markets in which the Company operates, are necessarily subject to a high degree of uncertainty and risk. In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “would,” “could,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “potential” or “continue” or the negative of these terms or other similar expressions. The forward-looking

statements in this Current Report are only predictions. The Company has based these forward-looking statements largely on its current expectations and projections about future events and financial trends that the Company believes may affect its financial condition, operating results, business strategy, short-term and long-term business operations and objectives. These forward- looking statements speak only as of the date of this Current Report and are subject to a number of risks, uncertainties and assumptions. The events and circumstances reflected in such forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements due to risks, uncertainties and other factors described in the Company’s press releases and in its filings with the Securities and Exchange Commission (“SEC”), including under the heading “Risk Factors” in the Company’s Annual Report on Form 10-K and any subsequent filings with the SEC. Moreover, the Company operates in a very competitive and rapidly changing environment. New risks and uncertainties may emerge from time to time, and it is not possible for the Company to predict all risks and uncertainties. Except as required by applicable law, the Company does not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	<u>Press Release, dated as of April 15, 2021 (furnished herewith)</u>

SIGNATURES

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

CLEANSARK, INC.

Dated: April 15, 2021

By: /s/ Zachary K. Bradford
Zachary K. Bradford
Chief Executive Officer and President

CleanSpark Purchases 22,680 Additional Bitcoin Miners and Anticipates 3.2 EH/s Capacity After Deployment

SALT LAKE CITY, UT, April 15, 2021 – CleanSpark, Inc. (Nasdaq: CLSK) (the “Company” or “CleanSpark”), a diversified software, services, and Bitcoin mining company, today announced that it has secured multiple contracts for mining equipment.

The Company has now secured contracts for all of the equipment necessary for CleanSpark’s mining operation to increase its Bitcoin mining capacity to meet its stated objective of a total hash rate capacity of more than 1.1 EH/s by summer of 2021. Additionally, CleanSpark has now secured a total of 22,680 S19j Pro and S19 Pro Antminers for future delivery under annual contracts. The Company contracted directly with Bitmain Technologies Ltd. for 7,200 S19j Pro Antminers, and has executed two additional contracts with a premier cryptocurrency mining equipment dealer for a total of 15,480 S19j Pro and S19 Pro Antminers. These annual contracts are expected to provide an additional 2.23 EH/s in hash rate capacity. The units purchased under these contracts are expected to be delivered at an average rate of approximately 1,620 units per month over a 14-month period, with the first batch scheduled for delivery in August 2021. The Company expects that these new units will enable CleanSpark to increase its total mining production capacity to over 3.2 EH/s, following the delivery and deployment of all the equipment.

Zach Bradford, CleanSpark’s Chief Executive Officer, stated, “We are pleased to announce that we have secured mining equipment for more than 1.1 EH/s of Bitcoin mining production capacity for deployment this summer, which is a significant milestone for the Company. Time is money in this industry, and we wanted to ensure that we have both our immediate needs covered but we also wanted to look to the future to ensure we had a reliable baseline supply of future miner deliveries secured to support our long-term growth. In addition to these orders, we will continue to source miners on a periodic basis to further increase or upgrade our total mining capacity. The miners we have secured are expected to allow us to increase our total mining capacity ten times by mid-2022. As part of our expansion plans, we are actively evaluating multiple locations for additional expansion with a focus on sites supplied by clean energy sources.”

Recently, CleanSpark announced that the energy mix for its Atlanta location is 95% carbon free, sourced primarily from nuclear, hydroelectric, solar and other renewables. These emission calculations are before any of the planned solar, storage and other clean energy assets are added to the site. The Company aims to achieve carbon-neutrality from its current cryptocurrency operations in the near future.

Mr. Bradford commented, “We believe that being a good corporate citizen is imperative and will continue to focus on the Company’s environmental impact at future sites. We are already mining at scale with a very small carbon footprint and expect to have approximately 45MW of 95% carbon free power dedicated to Bitcoin mining under management by summer 2021, with hopes to achieve 98% carbon free mining in the coming months.”

Parties interested in learning more about CleanSpark products and services are encouraged to inquire by contacting the Company directly at info@cleanspark.com or visiting the Company’s website at www.cleanspark.com.

About CleanSpark:

CleanSpark, Inc., a Nevada corporation, is in the business of providing advanced software, controls and technology solutions to solve modern energy challenges. CleanSpark has a suite of software solutions that provides end-to-end microgrid energy modeling, energy market communications, and energy management solutions. CleanSpark's offerings consist of intelligent energy monitoring and controls, intelligent microgrid design software, middleware communications protocols for the energy industry, energy system engineering, custom hardware solutions, microgrid installation and implementation services, traditional data center services and software consulting services.

The Company and its subsidiaries also own and operate a fleet of Bitcoin miners at its facility outside of Atlanta, Georgia.

For more information about the Company, please visit the Company's website at <https://www.cleanspark.com/investor-relations>.

Forward-Looking Statements:

This release contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, including statements regarding the Company's plans and expectations for expansion of its energy initiatives, its goal to achieve carbon-neutrality, deployment of Bitcoin miners, the growth of the facility and other statements regarding the expectations, beliefs, plans, intentions and strategies of the Company. The Company has tried to identify these forward-looking statements by using words such as "expect," "target," "anticipate," "believe," "could," "should," "estimate," "intend," "may," "will," "plan," "goal" and similar terms and phrases, but such words, terms and phrases are not the exclusive means of identifying such statements. Actual results, performance and achievements could differ materially from those expressed in, or implied by, these forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation: delays in equipment and battery energy storage systems availability and delivery, the successful deployment of energy solutions for residential and commercial applications, the fitness of the Company's energy hardware, the availability of clean energy sources, software and other solutions for this particular application or market, the expectations of future revenue growth may not be realized, ongoing demand for the Company's software products and related services, the impact of global pandemics (including COVID-19) on the demand for our products and services, and other risks described in the Company's prior press releases and in its filings with the Securities and Exchange Commission (SEC), including under the heading "Risk Factors" in the Company's Annual Report on Form 10-K and any subsequent filings with the SEC. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and we undertake no obligation to revise or update this press release (including any forward-looking statements contained herein) to reflect events or circumstances after the date hereof.

Contact - Investor Relations:

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