

AUDIT COMMITTEE CHARTER
APPLIED DIGITAL CORPORATION

As adopted by the Board of Directors, effective April 26, 2024

The purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Applied Digital Corporation. (the “Company”) is to assist the Board in fulfilling its oversight responsibilities relating to (i) the integrity of the Company’s financial statements, (ii) the Company’s compliance with legal and regulatory requirements, (iii) the qualifications and independence of the Company’s external auditor (the “Independent Auditor”); (iv) the sufficiency of the Company’s internal controls; (v) the performance of the Company’s internal auditing function (“Internal Audit”); (vi) the performance of the Independent Auditor; (vii) oversight of the Company’s compliance program as well as the principal legal and regulatory standards applicable to the Company’s operations; and (viii) the management’s implementation of adequate cybersecurity measures, cyber incident policies and cyber insurance.

The Committee shall be comprised of three or more directors appointed by the Board, each of whom meets the independence requirements of The Nasdaq Stock Market (“Nasdaq”) and otherwise satisfies the applicable requirements for audit committee service and financial literacy imposed by Nasdaq and/or the Securities Exchange Act of 1934, as amended. At least one member of the Committee shall be an “audit committee financial expert” in accordance with the rules of the Securities and Exchange Commission. Committee members shall not simultaneously serve on the audit committees of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such director to serve effectively on the Committee.

The Committee shall meet with such frequency and at such intervals as it determines necessary to carry out its duties and responsibilities. The Committee shall meet separately and periodically with management, Internal Audit and the Independent Auditor. Minutes of Committee meetings and actions taken without a meeting shall be kept in accordance with the Company’s bylaws.

While the Board has delegated to the Committee oversight duties and responsibilities pursuant to this Charter, the fundamental responsibility for the accuracy of the Company’s financial statements and disclosures, and the quality of the Company’s accounting and financial reporting processes, remains with management and the Independent Auditor.

In discharging its oversight role, the Committee shall be empowered to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company and shall have the power and authority to determine funding for ordinary administrative expenses of the Committee as well as to retain and determine funding for outside counsel, independent auditors or other advisers the Committee deems necessary to carry out the Committee’s purposes, duties and responsibilities so enumerated herein. The Company will provide appropriate funding, as determined by the Committee, for compensation to the independent auditor, to any advisers that the Committee chooses to engage, and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

In furtherance of its purpose, the Committee shall:

Independent Audit, Financial Statements and Internal Controls

1. Be directly responsible for the appointment, compensation, retention, oversight of the work and termination of the Independent Auditor and any other independent registered public accounting

firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The Committee shall also be responsible for the resolution of disagreements between management and the Independent Auditor, or any other such firm, regarding accounting and financial reporting. The Independent Auditor and any other such firm shall report directly to the Committee.

2. Obtain and review, at least annually, a report by the Independent Auditor describing: (i) the Independent Auditor's internal quality control procedures, (ii) any material issues raised by the most recent internal quality control review or peer review of the Independent Auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years respecting one or more independent audits carried out by the Independent Auditor, (iii) any steps taken to deal with any such issues, (iv) all relationships between the Independent Auditor and the Company and (v) any other information pertaining to the independence of the Independent Auditor. Discuss with the Independent Auditor any issues or relationships disclosed in such report that, in the judgment of the Committee, may have an impact on the competence or independence of the Independent Auditor.
3. Review and evaluate the lead audit partner of the Independent Auditor (taking into account the opinions of management and Internal Audit) and assure the regular rotation of the lead audit partner, the concurring partner and other audit partners engaged in the Independent Auditor's annual audit of the Company's year-end financial statements (the "Annual Audit"), to the extent required by law.
4. Discuss with Internal Audit and management their views as to the competence, performance and independence of the Independent Auditor.
5. Pre-approve all audit and permitted non-audit and tax services to be provided to the Company by the Independent Auditor.
6. Meet to review and discuss the annual audited financial statements and quarterly financial statements with management and the Independent Auditor, including the annual and quarterly report disclosures under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations." The Committee shall make a recommendation to the Board as to whether the annual audited financial statements should be included in the Company's Annual Report on Form 10-K.
7. Review and discuss earnings press releases, as well as financial information and earnings guidance provided to analysts and ratings agencies, including the type and presentation of the information presented, with particular attention paid to *pro forma* or adjusted non-GAAP information.
8. Review reports to management prepared by the Independent Auditor or Internal Audit and any responses by management. Review internal control reports (or summaries thereof), other relevant reports or financial information submitted by the Company to any governmental body, or the public, and relevant reports rendered by the independent auditor (or summaries thereof) and consider the risk, if any, of management's ability to override the Company's internal controls.
9. Understand the scope of the audit plan, including the independent auditors' review of internal control over financial reporting.
10. Obtain and review annually, prior to the completion of the Annual Audit, a report from the Independent Auditor describing (i) all critical accounting policies and practices to be reflected in

the Annual Audit, (ii) (a) all alternative treatments of financial information within generally accepted accounting principles (“GAAP”) for policies and procedures related to material items that have been discussed with management, (b) ramifications of the use of such alternative disclosures and treatments and (c) the treatment preferred by the Independent Auditor and (iii) other material written communications between the Independent Auditor and management, such as any management letter or schedule of unadjusted differences. Review any reports on such topics or similar topics prepared by management. Discuss with the Independent Auditor any material issues raised in such reports.

11. Review the Company’s financial reporting processes and internal controls in consultation with the Independent Auditor and Internal Audit. Such review shall include a consideration of major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company’s selection or application of accounting principles, major issues as to the adequacy of the Company’s internal controls and any special audit steps adopted in light of identified deficiencies. Review any analyses prepared by management and/or the Independent Auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.
12. Discuss with the Independent Auditor the Independent Auditor’s judgment about the quality, not just the acceptability, of the accounting principles applied in the Company’s financial reporting.
13. Review with the Independent Auditor any audit problems or difficulties and management’s response thereto. Such review shall include a review of any difficulties the Independent Auditor encountered in the course of the audit work, including any restrictions on the scope of the Independent Auditor’s activities or access to requested information, and any significant disagreements with management.
14. Review with the Independent Auditor, Internal Audit and management the extent to which changes or improvements in financial or accounting practices and internal controls that were previously reviewed and/or approved by the Committee have been implemented.
15. Review annually the effect of legal, regulatory and accounting initiatives on the Company’s financial statements.
16. Review annually the effect of off-balance sheet arrangements, if any, on the Company’s financial statements.
17. Review and discuss with the Independent Auditor any critical audit matter (“CAM”) addressed in the audit of the Company’s financial statements and the relevant financial statement accounts and disclosures that relate to each CAM.
18. Review and discuss with the Independent Auditor the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board and the Securities and Exchange Commission, including, but not limited to, review of the external audit plan and revisions thereto.
19. Approve hiring policies for employees or former employees of the Independent Auditor and oversee the hiring of any personnel from the Independent Auditor in accordance with applicable law.

Internal Audit

20. Review and assess the annual internal audit plan, the process used to develop the plan and the status of activities, significant findings, recommendations and management's response. Provide oversight of Internal Audit, including by reviewing and discussing with management reports and other communications prepared by Internal Audit.
21. Oversee Internal Audit's structure, objectivity, responsibilities, staffing, resources and budget. Discuss with the Independent Auditor the Independent Auditor's judgment about the competence, performance and cooperation of Internal Audit and management and Internal Audit's responsibilities, budget and staffing. Recommend for Board approval (i) the appointment and, if appropriate, replacement of (a) the head of Internal Audit, where the head of Internal Audit is a Company employee, or (b) any third-party service provider (other than the Independent Auditor) that is providing Internal Audit services to the Company, and (ii) the Internal Audit budgets.
22. Annually, review and recommend changes (if any) to the internal audit charter.
23. Periodically review, with the internal audit director, any significant difficulties, disagreements with management, or scope restrictions encountered in the course of the function's work. Periodically review, with the independent auditor, the internal audit function's responsibility, budget, and staffing.

Related Party Transactions and Compliance

24. Review and approve any transaction between the Company and any related person (as defined in Item 404 of Regulation S-K) in accordance with the Company's Related Person Transaction Policy. The Committee shall notify the Board at least quarterly of all related person transactions approved or ratified by the Committee or its chair in accordance with such policy.
25. Review periodically the Company's Related Person Transaction Policy and Policy for Reporting Concerns and recommend amendments thereto for Board approval.
26. Discuss policies with respect to risk assessment and risk management, the Company's major litigation and financial risk exposures and the steps management has taken to monitor and control such exposures.
27. Establish procedures for the receipt, retention and treatment of complaints, whether received from employees of the Company or other persons, regarding accounting, internal accounting controls or auditing matters, financial disclosures or actions of the Compliance department, including procedures to apply in the case that complaints are received with a request for confidential or anonymous treatment. Review periodically with management and Internal Audit these procedures. Review all such complaints and concerns received by the Company.
28. Review periodically with the Company's chief compliance officer the Company's compliance with legal and regulatory requirements and the design and implementation of the Company's compliance program and its sufficiency.

Financial and Reporting Processes, Accounting Policies and Internal Control Structure

29. Receive and review any disclosure from the Company's CEO and CFO made in connection with the certification of the Company's quarterly and annual reports filed with the SEC of:

- (a) significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize, and report financial data; and (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.
30. Review any significant changes in the Company's selection or application of accounting principles, major issues as to the adequacy of the Company's internal controls, and any special audit steps adopted in light of material control deficiencies.
 31. Review analyses prepared by management and the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.
 32. Review the effect of regulatory and accounting initiatives, as well as off-balance-sheet structures, on the financial statements of the Company.
 33. Discuss with the independent auditor its evaluation of the Company's identification of, accounting for, and disclosure of its relationships with related parties as set forth under the standards of the PCAOB. Establish and oversee management's implementation of procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters, including procedures for confidential, anonymous submissions by Company employees regarding questionable accounting or auditing.
 34. Establish and oversee management's implementation of procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters, including procedures for confidential, anonymous submissions by Company employees regarding questionable accounting or auditing matters.

Committee Report, Evaluation and Charter

35. Prepare the report of the Committee required to be included in the Company's annual report and proxy statement.
36. Report regularly to the Board on the activities of the Committee.
37. Conduct an annual evaluation of the Committee's performance.
38. Review the adequacy of this Charter periodically and recommend any proposed changes to the Board for approval.
39. Perform such other duties and responsibilities as reasonably determined by the Committee to be consistent with its mandate (under this Charter, the Company's bylaws, governing law, the rules and regulations of Nasdaq, the federal securities laws and such other requirements applicable to the Company) or as further delegated to the Committee by the Board. This includes the authority to conduct or authorize investigations into any matter, including, but not limited to, complaints relating to accounting, internal accounting controls or auditing matters within the scope of duties and responsibilities delegated to the Committee.

Cybersecurity Oversight

40. Meet periodically with management and then report to the Board concerning the adequacy of: (i) the Company's cybersecurity policies and measures; (ii) the Company's cyber incident policy, including responses to cyber incidents, ransom demands and security breaches; and (iii) the adequacy of the Company's cyber-security insurance.

The Committee shall have authority to retain such outside counsel, experts and other advisors as the Committee may deem appropriate in its sole discretion.

The Committee shall have sole authority to approve related fees and retention terms. The Committee shall receive appropriate funding from the Company, as determined by the Committee, for any expense related to any external advisors and for the ordinary administrative expenses of the Committee.

The Committee shall have full, unrestricted access to Company books, records and facilities.

The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate in its sole discretion.

Limitation of the Committee's Role

The Committee has only the functions set forth in this Charter. Its responsibility is one of oversight, and therefore it is not the duty of the Committee to plan or conduct audits, to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations or to establish and operate the Company's system of internal controls and disclosure controls and procedures. The responsibility to plan and conduct audits, and to express an opinion on the financial statements based on its audit, is that of the independent auditors. The Company's management has the responsibility to determine that the Company's disclosures and financial statements are complete and accurate and in accordance with generally accepted accounting principles and applicable rules and regulations as well as to establish and operate the Company's system of internal controls and disclosure controls and procedures.