

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-8
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

APPLIED BLOCKCHAIN, INC.
(Exact Name of Registrant as Specified in Its Charter)

Nevada
(State or Other Jurisdiction of Incorporation or
Organization)

95-4863690
(I.R.S. Employer Identification No.)

3811 Turtle Creek Blvd., Suite 2100,
Dallas, Texas 75219
(Address of Principal Executive Offices)
Restricted Stock Unit Award (Davidson)
Restricted Stock Unit Award (Snyman)
(Full Title of the Plan)

Wesley Cummins
Chief Executive Officer
Applied Blockchain, Inc.
3811 Turtle Creek Blvd., Suite 2100
Dallas, Texas 75219
(Name and Address of Agent for Service)

(214) 427-1704
(Telephone Number, Including Area Code, of Agent for Service)

With a copy to:

Carol W. Sherman, Esq.
Kelley Drye & Warren LLP
3 World Trade Center
175 Greenwich Street
New York, New York 10007
(212) 808-7800

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

Large accelerated filer
Non-accelerated filer

Accelerated filer
Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

PART I

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

The document(s) containing the information specified by Part I of this Form S-8 Registration Statement (the "Registration Statement") has been sent or given to participants in the Restricted Stock Unit Awards applicable to each of Roland Davidson and Etienne Snyman, as applicable, by Applied Blockchain, Inc., a Nevada corporation (the "Company"), as specified in Rule 428(b)(1) promulgated by the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"). Such document(s) are not being filed with the Commission but constitute (along with the documents incorporated by reference into the Registration Statement pursuant to Item 3 of Part II hereof), a prospectus that meets the requirements of Section 10(a) of the Securities Act.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents have been filed by the Company with the Commission pursuant to the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and are hereby incorporated by reference in this Registration Statement:

our Annual Report on Form 10-K filed with the SEC on August 29, 2022;
our Annual Report on Form 10-K/A No. 1 filed with the SEC on September 27, 2022;
our Current Report on Form 8-K filed with the SEC on June 8, 2022;
our Current Report on Form 8-K filed with the SEC on June 14, 2022;
our Current Report on Form 8-K filed with the SEC on July 18, 2022 (as to filed portions only);
our Current Report on Form 8-K filed with the SEC on July 29, 2022;
our Current Report on Form 8-K filed with the SEC on August 5, 2022;
the description of our common stock contained in our Registration Statement on Form 8-A (File No. 001-31968), filed with the SEC under Section 12(b) of the Exchange Act on April 11, 2022; and
all documents subsequently filed by the Company with the SEC pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act, prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be a part hereof from the date of filing of such documents.

You may obtain a copy of these filings, excluding exhibits (but including exhibits that are specifically incorporated by reference in any such filing), free of charge, by oral or written request directed to: Applied Blockchain, Inc., 3811 Turtle Creek Blvd., Suite 2100, Dallas, TX 75219, Attention: General Counsel, Telephone (214) 427-1704.

Item 4. Description of Securities.

Not applicable.

Item 5. Interest of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

Limitation of Liability and Indemnification Matters

Neither our second amended and restated articles of incorporation, nor our amended and restated bylaws, prevent us from indemnifying our officers, directors and agents to the extent permitted under the Nevada Revised Statutes (“NRS”). NRS Section 78.7502, provides that a corporation may indemnify any director, officer, employee or agent of a corporation against expenses, including attorneys’ fees, actually and reasonably incurred by him in connection with any defense to the extent that a director, officer, employee or agent of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to Section 78.7502(1) or 78.7502(2), or in defense of any claim, issue or matter therein.

NRS 78.7502(1) provides that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, except an action by or in the right of the corporation, by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent

of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding if he: (a) is not liable pursuant to NRS 78.138; or (b) acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

NRS Section 78.7502(2) provides that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including amounts paid in settlement and attorneys' fees actually and reasonably incurred by him in connection with the defense or settlement of the action or suit if he: (a) is not liable pursuant to NRS 78.138; or (b) acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation. Indemnification may not be made for any claim, issue or matter as to which such a person has been adjudged by a court of competent jurisdiction, after exhaustion of all appeals there from, to be liable to the corporation or for amounts paid in settlement to the corporation, unless and only to the extent that the court in which the action or suit was brought or other court of competent jurisdiction determines upon application that in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper.

NRS Section 78.747 provides that except as otherwise provided by specific statute, no director or officer of a corporation is individually liable for a debt or liability of the corporation, unless the director or officer acts as the alter ego of the corporation. The court as a matter of law must determine the question of whether a director or officer acts as the alter ego of a corporation.

Our bylaws provide that we will indemnify our directors, officers, employees and agents to the extent and in the manner permitted by the provisions of the NRS, as amended from time to time, subject to any permissible expansion or limitation of such indemnification, as may be set forth in any stockholders' or directors' resolution or by contract. Any repeal or modification of these provisions approved by our stockholders will be prospective only and will not adversely affect any limitation on the liability of any of our directors or officers existing as of the time of such repeal or modification. We are also permitted to apply for insurance on behalf of any director, officer, employee or other agent for liability arising out of his actions, whether or not the NRS would permit indemnification.

Item 7. Exemption from Registration Claimed.

Not Applicable.

Item 8. Exhibits.

Exhibit Number	Description
5.1	Opinion of Snell & Wilmer LLP.
10.1	Restricted Stock Unit Award (Davidson).
10.2	Restricted Stock Unit Award (Snyman).
23.1	Consent of Snell & Wilmer LLP (included in Exhibit 5.1).
23.2	Consent of Marcum LLP
24	Powers of Attorney (included on the signature page hereof).
107	Filing Fee Table

Item 9. Undertakings.

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

Provided, however, that (A) paragraphs (a)(1)(i) and (a)(1)(ii) of this section do not apply if the registration statement is on Form S-8 (§ 239.16b of this chapter), and the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)) that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(6) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities:

The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424 (§230.424 of this chapter);

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(h) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Dallas, State of Texas, on this 11th day of October, 2022.

APPLIED BLOCKCHAIN, INC.

By: /s/ Wes Cummins

Name: Wes Cummins

Title: Chief Executive Officer, Secretary, Treasurer, Chairperson of the Board and Director

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each individual whose signature appears below hereby constitutes and appoints Wes Cummins and David Rensch, and each of them individually, his true and lawful agent, proxy and attorney-in-fact, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to (i) act on, sign and file with the Securities and Exchange Commission any and all amendments to the registration statement (which includes any additional registration statement under Rule 462(b)) together with all schedules and exhibits thereto, (ii) act on, sign and file with the Securities and Exchange Commission any and all exhibits to the registration statement and any and all exhibits and schedules thereto, (iii) act on, sign and file any and all such certificates, applications, registration statements, notices, reports, instruments, agreements and other documents necessary or appropriate in connection with the registration or qualification under foreign and state securities laws of the securities described in the registration statement or any amendment thereto, or obtain an exemption therefrom, in connection with the offerings described therein and (iv) take any and all such actions which may be necessary or appropriate in connection therewith, granting unto such agents, proxies and attorneys-in-fact, and each of them individually, full power and authority to do and perform each and every act and thing necessary or appropriate to be done, as fully for all intents and purposes as he or she might or could do in person, and hereby approving, ratifying and confirming all that such agents, proxies and attorneys-in-fact, any of them or any of his or her or their substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed below by the following persons in the capacities and on the dates indicated.

Signature(s)	Title(s)	Date
<u>/s/ Wes Cummins</u> Wes Cummins	Chief Executive Officer, President, Secretary, Treasurer (Principal Executive Officer)	October 11, 2022
<u>/s/ David Rench</u> David Rench	Chief Financial Officer (Principal Financial and Accounting Officer)	October 11, 2022
<u>/s/ Chuck Hastings</u> Chuck Hastings	Director	October 11, 2022
<u>/s/ Kelli McDonald</u> Kelli McDonald	Director	October 11, 2022
<u>/s/ Douglas Miller</u> Douglas Miller	Director	October 11, 2022
<u>/s/ Virginia Moore</u> Virginia Moore	Director	October 11, 2022
<u>/s/ Richard Nottenberg</u> Richard Nottenberg	Director	October 11, 2022
<u>/s/ Jason Zhang</u> Jason Zhang	Director	October 11, 2022

Calculation of Filing Fee Table

Form S-8
(Form Type)

Applied Blockchain, Inc.
(Exact Name of Registrant as Specified in its Charter)

Table 1: Newly Registered Securities

Security Type	Security Class Title	Fee Calculation Rule	Amount Registered	Proposed Maximum Offering Price Per Unit	Maximum Aggregate Offering Price	Fee Rate	Amount of Registration Fee
Equity	Common Stock, \$0.001 par value	Rule 457(c) and (h)	1,375,000(1)	\$1.56 (2)	\$2,145,000	\$0.001102	\$237
Total Offering Amounts					\$2,148,438		\$237
Total Fees Previously Paid							\$0
Total Fee Offsets							\$0
Net Fees Due							\$237

- (1) Pursuant to Rule 416(a) promulgated under the Securities Act of 1933, as amended, this registration statement also relates to such indeterminate number of additional shares of common stock of the Registrant as may be issuable in the event of a stock dividend, stock split, recapitalization, or other similar capital structure, merger consolidation, spin-off, split-off, spin-out, split-up, reorganization, partial or complete liquidation, or other distribution of assets, issuance of rights or warrants to purchase securities, or any other corporate transaction or event having an effect similar to any of the foregoing.
- (2) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(c) and (h) under the Securities Act of 1933, as amended. The price per share is estimated based on the average of the high and low trading prices for the Registrant's common stock on October 7, 2022, as reported on The Nasdaq Global Select Market.

Snell & Wilmer L.L.P.
Hughes Center
3883 Howard Hughes Parkway, Suite 1100
Las Vegas, NV 89169-5958
TELEPHONE: 702.784.5200
FACSIMILE: 702.784.5252

October 11, 2022

Applied Blockchain, Inc.
3811 Turtle Creek Blvd., Suite 2100
Dallas, Texas 75219

Re: Registration Statement on Form S-8

Ladies and Gentlemen:

We have served as special Nevada counsel to Applied Blockchain, Inc., a Nevada corporation (the "Company"), in connection with the registration of 1,375,000 shares (the "Shares") of common stock, \$0.001 par value per share (the "Common Stock"), of the Company issuable to employees and independent contractors of the Company pursuant to the terms (including vesting) and upon exercise the Company's Restricted Stock Unit Award Agreement applicable to each of Roland Davidson and Etienne Snyman (the "Awards"), covered by the above-referenced Registration Statement on Form S-8 (the "Registration Statement") filed by the Company with the United States Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "1933 Act"), on or about the date hereof.

This opinion is being furnished in accordance with the requirements of Item 601(b)(5) of Regulation S-K under the Securities Act in connection with the filing of the Registration Statement. All capitalized terms used herein and not otherwise defined shall have the respective meanings given to them in the Registration Statement.

In connection with our representation of the Company, and as a basis for the opinion hereinafter set forth, we have relied upon and examined matters of fact, questions of law and documents as we have deemed necessary to render this opinion, including the originals, or copies certified or otherwise identified to our satisfaction, of the following documents (hereinafter collectively referred to as the "Documents"):

1. The Registration Statement and exhibits hereto;
2. The Second Amended and Restated Articles of Incorporation of the Company filed with the Secretary of State of the State of Nevada, as amended though the date hereof, certified as of the date hereof by an officer of the Company;
3. The Amended and Restated Bylaws of the Company, as amended though the date hereof, certified as of the date hereof by an officer of the Company;
4. Certificate of Existence with Status in Good Standing, certified by the Secretary of State of the State of Nevada, dated as of October 11, 2022;
5. The resolutions adopted by the Board of Directors of the Company relating to the approval of the Awards, the authorization of the issuance of the Shares pursuant to the terms of, including vesting, and upon exercise of the Awards and the preparation and filing of the Registration Statement (collectively, the "Resolutions"), certified as of the date hereof by an officer of the Company;
6. The Awards, each certified as of the date hereof by an officer of the Company;
7. A certificate executed by an officer of the Company, dated as of the date hereof, as to certain factual matters; and
8. Such other documents and matters as we have deemed necessary or appropriate to express the opinion set forth below, subject to the assumptions, limitations and qualifications stated herein.

In expressing the opinion set forth below, we have assumed the following:

A. Each individual executing any of the Documents, whether on behalf of such individual or any other person, is legally competent to do so.

B. All Documents submitted to us as originals are authentic. The form and content of all Documents submitted to us as unexecuted drafts do not differ in any respect relevant to this opinion from the form and content of such Documents as executed and delivered. All Documents submitted to us as certified or photostatic copies conform to the original documents. All signatures on all such Documents are genuine. All public records reviewed or relied upon by us or on our behalf are true and complete. All representations, warranties, statements and information contained in the Documents are true and complete. There has been no oral or written modification of or amendment to any of the Documents, and there has been no waiver of any provision of any of the Documents, by action or omission of the parties or otherwise. For the purpose of the opinion rendered below, we have assumed that, upon each issuance of Shares, the Company will receive or has received the consideration for such Shares required by the Resolutions.

Based upon the foregoing, and subject to the assumptions, limitations and qualifications stated herein, it is our opinion that the issuance of the Shares has been duly authorized and, when issued and delivered by the Company pursuant to the Resolutions, the terms of, including vesting, and upon exercise of the Awards and otherwise in accordance with the Registration Statement, and upon payment for and delivery of the Shares subject to issuance and sale by the Company, the Shares will be validly issued, fully paid and nonassessable.

We render this opinion only with respect to the general corporate law of the State of Nevada as set forth in Chapter 78 of the Nevada Revised Statutes. We neither express nor imply any obligation with respect to any other laws or the laws of any other jurisdiction or of the United States. For purposes of this opinion, we assume that the Shares will be issued in compliance with all applicable state securities or blue sky laws.

The opinion expressed herein is limited to the matters specifically set forth herein and no other opinion shall be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable law changes after the date hereof or if we become aware of any fact that might change the opinion expressed herein after the date hereof. Without limiting the generality of the foregoing, we neither express nor imply any opinion regarding the contents of the Registration Statement, other than as expressly stated herein with respect to the Shares.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the use of the name of our firm therein. In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the 1933 Act or the rules and regulations of the Commission promulgated thereunder.

Very truly yours,

/s/ Snell & Wilmer L.L.P.

RESTRICTED STOCK UNIT AWARD

as of January 14, 2022

The parties to this Restricted Stock Unit Award are Applied Blockchain, Inc. a Nevada Corporation (the “Company”), and Roland Davidson (“Consultant”), a third-party consultant to the Company.

Pursuant to the terms of that certain consulting services agreement between the Company and Consultant dated as of July 1, 2021 (the “Agreement”), the Company desires to engage Consultant to provide the services specified in the Agreement to the Company, and to provide Consultant with an incentive to put forth maximum effort for the success of the Company’s business.

In accordance with Section 3(c) of the Agreement, the Company has agreed to grant Consultant an award (“Award”) in the form of 750,000 restricted stock units (“RSUs”) subject to the terms and conditions herein set forth.

This RSU Award is a material inducement for Consultant to provide services to the Company pursuant to the Agreement.

Accordingly, intending to be legally bound hereby, the parties agree as follows:

ARTICLE I Definitions

The following definitions shall apply for purposes of this Award:

- 1.1 “Board” shall mean the Board of Directors of the Company.
- 1.2 “Cause” shall mean any of the following events--
 - (a) indictment or conviction of, or plea of nolo contendere to, (i) any felony, or (ii) another crime involving dishonesty or moral turpitude, or Consultant’s engaging in any embezzlement, financial misappropriation or fraud, related to his consulting with, or provision of services to, the Company or any subsidiary or affiliate;
 - (b) engaging in any willful misconduct or gross negligence or willful act of dishonesty, including any violation of federal securities laws, or violence or threat of violence, which is materially injurious to the Company or any subsidiary or affiliate;
 - (c) repeated abuse of alcohol or drugs (legal or illegal) that, in the Company’s reasonable judgment, materially impairs Consultant’s ability to perform the Services under the Agreement; or

- (d) willful and knowing breach or violation of any material provision of the Agreement, including, but not limited to, any applicable confidentiality, non-solicitation and non-competition requirements thereof.

1.3 “Change of Control” means the occurrence of any of the following events --

- (i) Any Person, other than (x) a fiduciary holding securities under an employee benefit plan of the Company or any subsidiary or affiliate, or (y) any corporation owned, directly or indirectly, by shareholders of the Company in substantially the same proportions as their ownership of the Company’s Common Stock becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing 50% or more of the total voting power represented by the Company’s then outstanding voting securities;
- (ii) the sale or disposition by the Company of all or substantially all of the Company’s assets;
- (iii) the members of the Board of Directors as of the Effective Date (the “Incumbent Directors”) and any successor director whose appointment is endorsed by the Incumbent Directors or any such duly-endorsed successor director cease to constitute a majority of the Board; or
- (iv) a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

For purposes of this Section 1.3—

“Person” shall have the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof; and

“Beneficial Owner” shall have the meaning ascribed to such term in Rule 13d-3 of the General Rules and Regulations under the Exchange Act.

1.4 “Code” shall mean the U.S. Internal Revenue Code of 1986, as amended from time to time, and any applicable regulations thereunder and any successor or similar provision.

1.5 “Committee” shall mean the Compensation Committee of the Board or a subcommittee thereof, or any other committee designated by the Board to administer this Award. The members of the Committee shall (i) be appointed from time to time by and shall serve at the discretion of the Board, and (ii) shall consist of “non-employee directors” as defined in Section 16 of the Exchange Act. If the Committee does not exist or cannot function for any reason, the

Board may take any action under this Award that would otherwise be the responsibility of the Committee.

1.6 “Common Stock” shall mean shares of the Company’s common stock.

1.7 “Effective Date” shall mean July 1, 2021.

1.8 “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended.

1.9 “Merger” shall mean any merger, reorganization, consolidation, share exchange, transfer of assets or other transaction having similar effect involving the Company.

1.10 “The Trading Market” means, initially, OTC Markets (including OTCQX, OTCQB and Pink Markets), or any of the following other markets that becomes the primary trading market for the Common Stock: The Nasdaq Capital Market, The Nasdaq Global Market, The Nasdaq Global Select Market, the New York Stock Exchange or the NYSE American (or any nationally recognized successor to any of the foregoing).

ARTICLE II Grant of RSUs

2.1 On January 5, 2022 (the “Grant Date”), the Company granted to Consultant this Award in the form of 750,000 RSUs. Each RSU shall have a value equal to one share of the Company’s Common Stock.

2.2 The RSUs shall be subject to the terms and conditions of this Award.

2.3 Except as provided in this Award, the RSUs shall remain unvested, nontransferable and are subject to a substantial risk of forfeiture. In addition, the RSUs shall not be vested, and Consultant’s interest in the RSUs granted hereunder shall be forfeited, except to the extent that the provisions of this Award are satisfied.

ARTICLE III Vesting of RSUs

3.1 Consultant’s RSUs shall be vested in accordance with this Article III.

3.2 The RSUs shall vest in accordance with the following schedule and subparagraph (b) below—

(a) 75,000 of Consultant RSUs shall vest upon:

(i) the date on which the first 50 megawatts of power becomes available, and fully operational to provide cryptocurrency mining colocation services at a facility that includes work product developed in whole or in part by Consultant; and

- (ii) each subsequent date upon which an additional 50 megawatts of power becomes available, and fully operational to provide cryptocurrency mining colocation services, at a facility that includes work product developed in whole or in part by Consultant.
- (b) Notwithstanding subparagraph (a) above, full vesting of any Consultant RSUs shall not occur until the date a registration statement including the resale of the Company's common stock is declared effective by the Securities and Exchange Commission.
- (c) Should capacity additions not be in increments of 50 MW, the above RSU vesting will be prorated.

3.3 Subject to Section 3.4 and Article V of this Award, all RSUs that are forfeitable shall be forfeited if Consultant's Services under the Agreement shall be terminated for any reason.

3.4 Notwithstanding the provisions of Section 3.3 hereof, if, prior to the forfeiture of this Stock Award under Section 3.3, Consultant experiences a Qualifying Termination Event (as defined in Section 3.5), all RSUs that are forfeitable shall become fully vested upon the Qualifying Termination Event.

3.5 For purposes of this RSU Award, "Qualifying Termination Event" shall mean Consultant's death, Disability, or termination of services by the Company other than for Cause. "Disability" for purposes of this Section 3.5 shall mean Consultant's permanent and total disability within the meaning of Section 22(e)(3) of the Code.

ARTICLE IV Payment of the RSUs

4.1 Payment of the vested RSUs shall be made as soon as practicable after the RSUs have vested, but in no event later than March 15th of the calendar year after the calendar year in which the RSUs vest.

4.2 The vested RSUs shall be paid in cash or whole shares of Common Stock or a combination thereof, as determined in the sole discretion of the Company.

4.3 Consultant covenants and agrees that it will prepare all applicable income and information tax returns and all other governmental reports of any kind and report and pay all taxes resulting from the grant and vesting of the RSUs. Consultant shall be liable for and shall indemnify Company with respect to all taxes, contributions and penalties imposed on the Company by any governmental or other public authority having jurisdiction with respect to or measured by the income or profit received by Consultant pursuant to this Award.

4.4 If Consultant dies prior to the payment of his vested RSUs, any vested RSUs shall be paid to his Beneficiary. Consultant shall have the right to designate a Beneficiary on a form filed with the Committee; if Consultant fails to designate a Beneficiary, or if at the time of

Consultant's death there is no surviving Beneficiary, any vested RSUs will go to Consultant's estate.

ARTICLE V
Change in Control

5.1 In the event of a Change in Control prior to the forfeiture of the RSUs under Section 3.3, the provisions of this Article V shall apply.

(a) Subject to subparagraphs (b) and (d) of this Section 5.1, if, upon a Change in Control, Consultant receives a new award which qualifies as a Replacement Award (as defined below), the Replacement Award shall replace this Award and continue subject to the Replacement Award's terms.

(i) A "Replacement Award" is an award that substitutes for this Award and meets the following requirements: (i) it has a value at least equal to the value of this Award as determined under applicable law and by the Committee in its sole discretion; (ii) it relates to publicly traded equity securities of the Company or its successor in the Change in Control or another entity that is affiliated with the Company or its successor following the Change in Control; and (iii) its other terms and conditions are not less favorable to Consultant than the terms and conditions of this Award (including the provisions that would apply in the event of a subsequent Change in Control). Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of this Award if the requirements of the preceding sentence are satisfied. The determination of whether the conditions of a Replacement Award are satisfied shall be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion.

(b) If, following a Change in Control, the Company's shares continue to be traded on The Trading Market or another established securities market, this Award shall continue in effect and be treated as a Replacement Award.

(c) If, upon a Change in Control that results in the Company's shares no longer being traded on The Trading Market or another established securities market and no Replacement Award is granted to Consultant, the unvested portion of this Award shall become vested immediately prior to the consummation of the Change in Control.

(d) Notwithstanding the foregoing, upon a Change in Control, the Committee may determine that this Award shall be canceled and terminated for consideration instead.

(e) If, in connection with a Change of Control, Consultant's payment of this Award will cause Consultant to be liable for federal excise tax under Code Section 4999 levied on certain "excess parachute payments" as defined in Code Section 280G ("Excise Tax"), then the payments made pursuant to the Awards shall be reduced (or repaid to the Company, if previously paid or provided) as provided below:

- (i) If the payments due upon a Change of Control under this Award and any other agreement between Consultant and the Company, exceed 2.99 times Consultant's "base amount," as defined in Code Section 280G, a reduced payment amount shall be calculated by reducing the payments to the minimum extent necessary so that no portion of any payment, as so reduced or repaid, constitutes an excess parachute payment. If it is determined that any Excise Tax is payable by Consultant, Consultant shall receive either (i) all payments otherwise due; or (ii) the reduced payment amount described in the preceding sentence, whichever will provide Consultant with the greater after-tax economic benefit taking into account for these purposes any applicable excise tax.
- (ii) Whether payments are to be reduced pursuant to this subparagraph (e), and the extent to which they are to be so reduced, will be determined solely by the Company in good faith and the Company will notify Consultant in writing of its determination.
- (iii) In no event shall Consultant be entitled to receive any kind of gross-up payment or excise tax reimbursement from the Company.

ARTICLE VI
Miscellaneous

6.1 The terms of this RSU shall be adjusted as the Committee determines is equitable in the event the Company effects one or more stock dividends, stock split-ups, subdivisions or consolidations of shares or other similar changes in capitalization..

6.2 Whenever the term "Consultant" is used in any provision of this Award under circumstances where the provision should logically be construed to apply to the executors, the administrators, or the person or persons to whom the RSUs may be transferred by will or by the laws of descent and distribution, the term "Consultant" shall be deemed to include such person or persons.

6.3 The RSUs granted hereunder are not transferable by Consultant otherwise than by will or the laws of descent and distribution. No assignment or transfer of the RSUs granted hereunder, or of the rights represented thereby, whether voluntary or involuntary, by the operation of law or otherwise (except by will or the laws of descent and distribution), shall vest in the assignee or transferee any interest or right herein whatsoever, but immediately upon any such assignment or transfer the RSUs shall terminate and become of no further effect.

6.4 Consultant shall not be deemed for any purpose to be a shareholder of the Company in respect of any shares as to which the RSUs shall not have been vested and paid in Common Stock.

6.5 Nothing in this Award or otherwise shall obligate the Company to vest any of the RSUs, to permit the RSUs to be earned and vested other than in accordance with the terms hereof

or to grant any waivers of the terms of this Award, regardless of what actions the Company, the Board or the Committee may take or waivers the Company, the Board or the Committee may grant under the terms of or with respect to any RSU now or hereafter granted to any other person or any other RSU granted to Consultant.

6.6 Notwithstanding any other provision hereof, Consultant shall not earn or vest in the RSUs granted hereunder, and the Company shall not be obligated to issue any shares to Consultant hereunder, if the earning or vesting thereof or the issuance of such shares would constitute a violation by Consultant or the Company of any provision of any law or regulation of any governmental authority. Any determination in this connection by the Company shall be final and binding. The Company shall in no event be obligated to register any securities pursuant to the Securities Act of 1933 (as the same shall be in effect from time to time) or to take any other affirmative action in order to cause the issuance of shares pursuant this RSU to comply with any law or regulation of any governmental authority.

6.7 If the events described in Article III or V occur after the date that Consultant is advised (upon recommendation by the Committee) that his Agreement with the Company is being, or will be, terminated for Cause, on account of performance or in circumstances that prevent him from being in good standing with the Company, accelerated vesting shall not occur and all rights under this Award shall terminate, and this Award shall expire on the date of termination of Consultant's Agreement. The Committee shall have the authority to determine whether termination of Consultant is for Cause or for any reason other than Cause.

6.8 This Award shall be governed by the laws of the State of Texas applicable to agreements made and performed wholly within the State of Texas (regardless of the laws that might otherwise govern under applicable conflicts of laws principles) and applicable federal law. All disputes arising under this Award shall be adjudicated solely within the State or Federal courts located within the State of Texas, Dallas County, and in accordance with the resolution provisions under the Agreement.

6.9 This Award sets forth a complete understanding between the parties with respect to its subject matter and supersedes all prior and contemporaneous agreements and understandings with respect thereto. Except as expressly set forth in this Award, the Company makes no representations, warranties or covenants to Consultant with respect to this Award or its subject matter, including with respect to the current or future value of the shares subject to the RSUs. Any modification, amendment or waiver to this Award will be effective only if it is in writing signed by the Company and Consultant. The failure of any party to enforce at any time any provision of this Award shall not be construed to be a waiver of that or any other provision of this Award.

6.10 This Award shall be administered and interpreted solely by the Committee or its delegated agent. The interpretations and decisions of the Committee with regard to this RSU shall be final and conclusive and binding upon Consultant.

6.11 It is the intent that this Award comply in all respects with Rule 16b-3 under the Exchange Act and any related regulations. If any provision of this Award is later found not to be

in compliance with such Rule and regulations, the provisions shall be deemed null and void. The provisions of the RSUs under this Award shall be executed in accordance with the requirements of Section 16 of the Exchange Act and regulations promulgated thereunder.

6.12 Subject to the limitations set forth herein, this Award shall be binding upon and inure to the benefit of the legatees, distributees, and personal representatives of Consultant and the successors of the Company.

6.13 This Award is subject to the terms of any separate Clawback Policy maintained by the Company, as such Policy may be amended from time to time.

6.14 Consultant hereby acknowledges receipt of a copy of this Award, and that he has read and understands the terms and provisions hereof, and accepts the RSUs subject to all of the terms and conditions of the Award.

6.15 In the event of any conflict between the provisions of this Award and the provisions of the Agreement, the provisions of this Award shall govern.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Award as of the day and year first above written.

APPLIED BLOCKCHAIN, INC.

By: 
A76581D9E418468...
Name: David Rench
Title: Chief Financial officer

CONSULTANT:


38016F2GCB36405...
Roland Davidson

Dated Consultant Agreement Version

RESTRICTED STOCK UNIT AWARD

Effective as of January 14, 2022

The parties to this Restricted Stock Unit Award are Applied Blockchain, Inc. a Nevada Corporation (the “Company”), and 2378688 Alberta Ltd., an Alberta Corporation (“Consultant”), a third-party consultant to the Company.

Pursuant to the terms of that certain consulting services agreement between the Company and Consultant effective as of February 24, 2022 (the “Agreement”), the Company desires to engage Consultant to provide the services specified in the Agreement to the Company, and to provide Consultant with an incentive to put forth maximum effort for the success of the Company’s business.

In accordance with Section 7 of Exhibit A to the Agreement, the Company has agreed to grant Consultant an award (“Award”) in the form of 7,500,000 restricted stock units (“RSUs”) subject to the terms and conditions herein set forth.

This RSU Award is a material inducement for Consultant to provide services to the Company pursuant to the Agreement.

Accordingly, intending to be legally bound hereby, the parties agree as follows:

ARTICLE I
Definitions

The following definitions shall apply for purposes of this Award:

- 1.1 “Board” shall mean the Board of Directors of the Company.
- 1.2 “Cause” shall mean any of the following events--
 - (a) indictment or conviction of, or plea of nolo contendere to, (i) any felony, or (ii) another crime involving dishonesty or moral turpitude, or Consultant’s engaging in any embezzlement, financial misappropriation or fraud, related to his consulting with, or provision of services to, the Company or any subsidiary or affiliate;
 - (b) engaging in any willful misconduct or gross negligence or willful act of dishonesty, including any violation of federal securities laws, or violence or threat of violence, which is materially injurious to the Company or any subsidiary or affiliate;
 - (c) repeated abuse of alcohol or drugs (legal or illegal) that, in the Company’s reasonable judgment, materially impairs Consultant’s ability to perform the Services under the Agreement; or

- (d) willful and knowing breach or violation of any material provision of the Agreement, including, but not limited to, any applicable confidentiality, non-solicitation and non-competition requirements thereof.

1.3 “Change of Control” means the occurrence of any of the following events --

- (i) Any Person, other than (x) a fiduciary holding securities under an employee benefit plan of the Company or any subsidiary or affiliate, or (y) any corporation owned, directly or indirectly, by shareholders of the Company in substantially the same proportions as their ownership of the Company’s Common Stock becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing 50% or more of the total voting power represented by the Company’s then outstanding voting securities;
- (ii) the sale or disposition by the Company of all or substantially all of the Company’s assets;
- (iii) the members of the Board of Directors as of the Effective Date (the “Incumbent Directors”) and any successor director whose appointment is endorsed by the Incumbent Directors or any such duly-endorsed successor director cease to constitute a majority of the Board; or
- (iv) a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

For purposes of this Section 1.3—

“Person” shall have the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof; and

“Beneficial Owner” shall have the meaning ascribed to such term in Rule 13d-3 of the General Rules and Regulations under the Exchange Act.

1.4 “Code” shall mean the U.S. Internal Revenue Code of 1986, as amended from time to time, and any applicable regulations thereunder and any successor or similar provision.

1.5 “Committee” shall mean the Compensation Committee of the Board or a subcommittee thereof, or any other committee designated by the Board to administer this Award. The members of the Committee shall (i) be appointed from time to time by and shall serve at the discretion of the Board, and (ii) shall consist of “non-employee directors” as defined in Section 16 of the Exchange Act. If the Committee does not exist or cannot function for any reason, the

Board may take any action under this Award that would otherwise be the responsibility of the Committee.

1.6 “Common Stock” shall mean shares of the Company’s common stock.

1.7 “Effective Date” shall mean January 14, 2022.

1.8 “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended.

1.9 “Merger” shall mean any merger, reorganization, consolidation, share exchange, transfer of assets or other transaction having similar effect involving the Company.

1.10 “The Trading Market” means, initially, OTC Markets (including OTCQX, OTCQB and Pink Markets), or any of the following other markets that becomes the primary trading market for the Common Stock: The Nasdaq Capital Market, The Nasdaq Global Market, The Nasdaq Global Select Market, the New York Stock Exchange or the NYSE American (or any nationally recognized successor to any of the foregoing).

ARTICLE II Grant of RSUs

2.1 On January 14, 2022 (the “Grant Date”), the Company granted to Consultant this Award in the form of 7,500,000 RSUs. Each RSU shall have a value equal to one share of the Company’s Common Stock.

2.2 The RSUs shall be subject to the terms and conditions of this Award.

2.3 Except as provided in this Award, the RSUs shall remain unvested, nontransferable and are subject to a substantial risk of forfeiture. In addition, the RSUs shall not be vested, and Consultant’s interest in the RSUs granted hereunder shall be forfeited, except to the extent that the provisions of this Award are satisfied.

ARTICLE III Vesting of RSUs

3.1 Consultant’s RSUs shall be vested in accordance with this Article III.

3.2 The RSUs shall vest in accordance with the requirements of this Section 3.2.

(a) Subject to the remaining subparagraphs of this Section 3.2, the RSUs shall vest in ten (10) separate tranches, such tranches structured as follows:

(i) Tranche 1--One Million (1,000,000) Units

(ii) Tranche 2--One Million (1,000,000) Units

(iii) Tranche 3-- One Million (1,000,000) Units

- (iv) Tranche 4--One Million (1,000,000) Units
- (v) Tranche 5--Seven Hundred and Fifty Thousand (750,000) Units
- (vi) Tranche 6--Seven Hundred and Fifty Thousand (750,000) Units
- (vii) Tranche 7--Five Hundred Thousand (500,000) Units
- (viii) Tranche 8--Five Hundred Thousand (500,000) Units
- (ix) Tranche 9--Five Hundred Thousand (500,000) Units
- (x) Tranche 10--Five Hundred Thousand (500,000) Units

(b) Subject to subparagraph (c) hereof, Tranche 1 of the RSUs shall vest upon the attainment of the first 50 MW of the Electrical Capacity of the DC Project, and subsequent Tranches of the RSUs shall vest upon attainment of each additional 50 MW of the Electrical Capacity of the DC Project (“Electrical Capacity Event”).

(c) No RSUs shall fully vest until such time as a registration statement allowing for the resale of Company’s stock has been declared effective by the Securities and Exchange Commission (“Effective Registration Event”).

(d) For the sake of clarity, (i) if the total secured Electricity Capacity of the DC Project is 200 MW, then Consultant shall be vested as to the Electrical Capacity Event vesting requirement in 4,000,000 RSUs, and (ii) once the Effective Registration Event has occurred, all RSUs that have previously met the Electrical Capacity Event requirement shall become immediately fully vested.

(e) Should the capacity addition of Tranche 10 not be in an increment of 50 MW, the above RSU vesting will be prorated.

3.3 Subject to Section 3.4 and Article V of this Award, all RSUs that are forfeitable shall be forfeited if Consultant’s Services under the Agreement shall be terminated in accordance therewith.

3.4 Notwithstanding the provisions of Section 3.3 hereof, if, prior to the forfeiture of this Stock Award under Section 3.3, Consultant experiences a Qualifying Termination Event (as defined in Section 3.5), all RSUs that are forfeitable shall become fully vested upon the Qualifying Termination Event.

3.5 For purposes of this RSU Award, “Qualifying Termination Event” shall mean Consultant’s death, Disability, or termination of services by the Company other than for Cause. “Disability” for purposes of this Section 3.5 shall mean Consultant’s permanent and total disability within the meaning of Section 22(e)(3) of the Code.

ARTICLE IV
Payment of the RSUs

4.1 Payment of the vested RSUs shall be made as soon as practicable after the RSUs have vested, but in no event later than March 15th of the calendar year after the calendar year in which the RSUs vest.

4.2 The vested RSUs shall be paid in cash or whole shares of Common Stock or a combination thereof, as determined in the sole discretion of the Company.

4.3 Consultant covenants and agrees that it will prepare all applicable income and information tax returns and all other governmental reports of any kind and report and pay all taxes resulting from the grant and vesting of the RSUs. Consultant shall be liable for and shall indemnify Company with respect to all taxes, contributions and penalties imposed on the Company by any governmental or other public authority having jurisdiction with respect to or measured by the income or profit received by Consultant pursuant to this Award.

4.4 If Consultant dies prior to the payment of his vested RSUs, any vested RSUs shall be paid to his Beneficiary. Consultant shall have the right to designate a Beneficiary on a form filed with the Committee; if Consultant fails to designate a Beneficiary, or if at the time of Consultant's death there is no surviving Beneficiary, any vested RSUs will go to Consultant's estate.

ARTICLE V Change in Control

5.1 In the event of a Change in Control prior to the forfeiture of the RSUs under Section 3.3, the provisions of this Article V shall apply.

(a) Subject to subparagraphs (b) and (d) of this Section 5.1, if, upon a Change in Control, Consultant receives a new award which qualifies as a Replacement Award (as defined below), the Replacement Award shall replace this Award and continue subject to the Replacement Award's terms.

- (i) A "Replacement Award" is an award that substitutes for this Award and meets the following requirements: (i) it has a value at least equal to the value of this Award as determined under applicable law and by the Committee in its sole discretion; (ii) it relates to publicly traded equity securities of the Company or its successor in the Change in Control or another entity that is affiliated with the Company or its successor following the Change in Control; and (iii) its other terms and conditions are not less favorable to Consultant than the terms and conditions of this Award (including the provisions that would apply in the event of a subsequent Change in Control). Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of this Award if the requirements of the preceding sentence are satisfied. The determination of whether the conditions of a Replacement Award are satisfied shall be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion.

(b) If, following a Change in Control, the Company's shares continue to be traded on The Trading Market or another established securities market, this Award shall continue in effect and be treated as a Replacement Award.

(c) If, upon a Change in Control that results in the Company's shares no longer being traded on The Trading Market or another established securities market and no Replacement Award is granted to Consultant, the unvested portion of this Award shall become vested immediately prior to the consummation of the Change in Control.

(d) Notwithstanding the foregoing, upon a Change in Control, the Committee may determine that this Award shall be canceled and terminated for consideration instead.

(e) If, in connection with a Change of Control, Consultant's payment of this Award will cause Consultant to be liable for federal excise tax under Code Section 4999 levied on certain "excess parachute payments" as defined in Code Section 280G ("Excise Tax"), then the payments made pursuant to the Awards shall be reduced (or repaid to the Company, if previously paid or provided) as provided below:

- (i) If the payments due upon a Change of Control under this Award and any other agreement between Consultant and the Company, exceed 2.99 times Consultant's "base amount," as defined in Code Section 280G, a reduced payment amount shall be calculated by reducing the payments to the minimum extent necessary so that no portion of any payment, as so reduced or repaid, constitutes an excess parachute payment. If it is determined that any Excise Tax is payable by Consultant, Consultant shall receive either (i) all payments otherwise due; or (ii) the reduced payment amount described in the preceding sentence, whichever will provide Consultant with the greater after-tax economic benefit taking into account for these purposes any applicable excise tax.
- (ii) Whether payments are to be reduced pursuant to this subparagraph (e), and the extent to which they are to be so reduced, will be determined solely by the Company in good faith and the Company will notify Consultant in writing of its determination.
- (iii) In no event shall Consultant be entitled to receive any kind of gross-up payment or excise tax reimbursement from the Company.

ARTICLE VI Miscellaneous

6.1 The terms of this RSU shall be adjusted as the Committee determines is equitable in the event the Company effects one or more stock dividends, stock split-ups, subdivisions or consolidations of shares or other similar changes in capitalization.

6.2 Whenever the term “Consultant” is used in any provision of this Award under circumstances where the provision should logically be construed to apply to the Etienne Snyman, or Etienne Snyman’s executors, the administrators, or the person or persons to whom the RSUs may be transferred by will or by the laws of descent and distribution, the term “Consultant” shall be deemed to include such person or persons.

6.3 The RSUs granted hereunder are not transferable by Consultant otherwise than by will or the laws of descent and distribution. No assignment or transfer of the RSUs granted hereunder, or of the rights represented thereby, whether voluntary or involuntary, by the operation of law or otherwise (except by will or the laws of descent and distribution), shall vest in the assignee or transferee any interest or right herein whatsoever, but immediately upon any such assignment or transfer the RSUs shall terminate and become of no further effect.

6.4 Consultant shall not be deemed for any purpose to be a shareholder of the Company in respect of any shares as to which the RSUs shall not have been vested and paid in Common Stock.

6.5 Nothing in this Award or otherwise shall obligate the Company to vest any of the RSUs, to permit the RSUs to be earned and vested other than in accordance with the terms hereof or to grant any waivers of the terms of this Award, regardless of what actions the Company, the Board or the Committee may take or waivers the Company, the Board or the Committee may grant under the terms of or with respect to any RSU now or hereafter granted to any other person or any other RSU granted to Consultant.

6.6 Notwithstanding any other provision hereof, Consultant shall not earn or vest in the RSUs granted hereunder, and the Company shall not be obligated to issue any shares to Consultant hereunder, if the earning or vesting thereof or the issuance of such shares would constitute a violation by Consultant or the Company of any provision of any law or regulation of any governmental authority. Any determination in this connection by the Company shall be final and binding. The Company shall in no event be obligated to register any securities pursuant to the Securities Act of 1933 (as the same shall be in effect from time to time) or to take any other affirmative action in order to cause the issuance of shares pursuant this RSU to comply with any law or regulation of any governmental authority.

6.7 If the events described in Article III or V occur after the date that Consultant is advised (upon recommendation by the Committee) that his Agreement with the Company is being, or will be, terminated pursuant to Section 8 of the Agreement, accelerated vesting shall not occur and all rights under this Award shall terminate, and this Award shall expire on the date of termination of Consultant’s Agreement.

6.8 This Award shall be governed by the laws of the State of Texas applicable to agreements made and performed wholly within the State of Texas (regardless of the laws that might otherwise govern under applicable conflicts of laws principles) and applicable federal law. All disputes arising under this Award shall be adjudicated solely within the State or Federal courts located within the State of Texas, Dallas County, and in accordance with the resolution provisions under the Agreement.

6.9 This Award sets forth a complete understanding between the parties with respect to its subject matter and supersedes all prior and contemporaneous agreements and understandings with respect thereto. Except as expressly set forth in this Award, the Company makes no representations, warranties or covenants to Consultant with respect to this Award or its subject matter, including with respect to the current or future value of the shares subject to the RSUs. Any modification, amendment or waiver to this Award will be effective only if it is in writing signed by the Company and Consultant. The failure of any party to enforce at any time any provision of this Award shall not be construed to be a waiver of that or any other provision of this Award.

6.10 This Award shall be administered and interpreted solely by the Committee or its delegated agent.

6.11 It is the intent that this Award comply in all respects with Rule 16b-3 under the Exchange Act and any related regulations. If any provision of this Award is later found not to be in compliance with such Rule and regulations, the provisions shall be deemed null and void. The provisions of the RSUs under this Award shall be executed in accordance with the requirements of Section 16 of the Exchange Act and regulations promulgated thereunder.

6.12 Subject to the limitations set forth herein, this Award shall be binding upon and inure to the benefit of the legatees, distributees, and personal representatives of Consultant and the successors of the Company.

6.13 This Award is subject to the terms of any separate Clawback Policy maintained by the Company, as such Policy may be amended from time to time.

6.14 Consultant hereby acknowledges receipt of a copy of this Award, and that he has read and understands the terms and provisions hereof, and accepts the RSUs subject to all of the terms and conditions of the Award.

6.15 In the event of any conflict between the provisions of this Award and the provisions of the Agreement, the provisions of this Award shall govern.

[SIGNATURE PAGE TO FOLLOW]

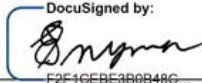
Dated Consultant Agreement Version

IN WITNESS WHEREOF, the parties hereto have executed this Award as of the day and year first above written.

APPLIED BLOCKCHAIN, INC.

By: 
Name: David Rench
Title: Chief Financial Officer

2378688 ALBERTA LTD.

By: 
Name: Etienne Snyman
Title:

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT

We consent to the incorporation by reference in this Registration Statement of Applied Blockchain, Inc. on Form S-8 of our report dated August 29, 2022, with respect to our audits of the consolidated financial statements of Applied Blockchain, Inc. as of May 31, 2022 and 2021 and for the years then ended appearing in the Annual Report on Form 10-K of Applied Blockchain, Inc. for the year ended May 31, 2022 . We also consent to the reference to our firm under the heading "Experts" in the Prospectus.

/s/ Marcum llp

Marcum llp
New York, NY
October 11, 2022