

## News & Announcements

# Weil Guides Core Scientific Through Chapter 11 as Company Lists on Nasdaq and Rings Closing Bell

January 26, 2024



Weil represented Core Scientific, Inc. (Nasdaq: CORZ), a leader in bitcoin mining and infrastructure for high-value compute, through its reorganization pursuant to Chapter 11 of the U.S. Bankruptcy Code. The company announced its emergence on January 23, 2024 and today visited the Nasdaq MarketSite in Times Square where Core Scientific President and Chief Executive Officer Adam Sullivan rang the Closing Bell.

Core Scientific emerged from Chapter 11 with a strengthened balance sheet and commenced the listing of its common stock, tranche 1 warrants and tranche 2 warrants on the Nasdaq Global Select Market under the symbols CORZ, CORZW and CORZZ, respectively.

Core Scientific is now positioned as one of the largest bitcoin miners in North America, with specialized data centers in five U.S. states operating 724 megawatts of power. The Plan of Reorganization reduced Core Scientific's debt by \$400 million through the conversion of equipment lender and convertible note holder debt to equity. The Plan also provides a pathway to de-lever the balance sheet further, assuming the conversion of remaining convertible debt, the cash exercise of all applicable warrants and the use of

cash to pay down debt. With sufficient liquidity from a new credit facility and projected operating cash flow, Core Scientific is set to emerge and continue executing its multi-year growth plan.

In addition to operating 16.9 exahash of energized hash rate for its bitcoin mining business as of December 31, 2023, Core Scientific also operated 6.3 exahash for its hosting business for a total of 23.2 exahash, making it one of the largest hosting service providers for bitcoin mining in North America.

In 2023, Core Scientific produced 13,762 bitcoin from its owned fleet of miners and another 5,512 bitcoin on behalf of its hosting customers, some of which share proceeds with Core Scientific. The company is in the process of deploying and energizing approximately 27,000 new Bitmain S19 XP bitcoin miners and expects to deploy approximately 12,000 Bitmain S21 bitcoin miners before mid-year 2024. With 372 megawatts of partially developed infrastructure at its two Texas data centers, Core Scientific plans to increase its capacity by more than 50% over the next four years at a much lower cost per megawatt as compared to new construction.

The Weil team was led by [Ray Schrock](#), Co-Chair of Weil's Restructuring Department, and included Restructuring partners [Ronit Berkovich](#) and [Clifford Carlson](#), global Litigation Department Co-Chair [David J. Lender](#) and Litigation partners [Theodore E. Tsekerides](#) and [Luna Barrington](#), Capital Markets partners [Merritt Johnson](#) and [Frank Adams](#), Banking and Finance partner [Danek A. Freeman](#), Mergers & Acquisitions partner [Gavin Westerman](#), Public Company Advisory Group partner [Adé Heyliger](#), Executive Compensation & Benefits Head [Paul J. Wessel](#) and Tax partners [Stuart Goldring](#) and [Graham Magill](#).

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