

# Ault Alliance Issues Letter to Stockholders

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LAS VEGAS--(BUSINESS WIRE)-- [Ault Alliance, Inc.](#) (NYSE American: AULT), a diversified holding company (“**Ault Alliance**,” or the “**Company**”), today issued a letter from its Executive Chairman to its valued stockholders.

Dear Stockholders:

As Executive Chairman of the Company, I wish to share the latest updates and insights into the Company’s strategic direction, and to address the current perception of the Company’s value and potential.

## 1. Strategic Reorganization into Two Key Entities

I am thrilled to announce that we plan to reorganize our Company into two primary holding subsidiaries:

### Sentinum

[Sentinum, Inc.](#) (“**Sentinum**”). This data center business is at the forefront of our ventures into the emerging field of artificial intelligence (“**AI**”) and data processing. Sentinum offers colocation and hosting services for emerging AI ecosystems facilitated through its subsidiary, Alliance Cloud Services, LLC from its Michigan facility. The Michigan data center utilizes approximately 100,000 square feet within a 617,000 square foot building on a 34.5-acre site in southern Michigan. The data center, which is strategically positioned near power production sites, boasts a current capacity of approximately 28 megawatts (“**MWs**”) of energy-efficient power, and has the potential, subject to raising sufficient capital, to reach approximately 300MWs over the next five years.

In addition, Sentinum’s new facility in Montana, which is on track to become operational in March 2024, is expected to initially add an incremental 10MWs and has current capacity of approximately 20MWs. Sentinum believes that the capacity of the Montana sites can be significantly expanded and has contracted with the local utility to begin an electrical load study in order to better understand the opportunities for power upgrades at its Montana sites. Pending the results of the study, Sentinum would also require additional financial resources in order to increase the capacity.

This expansion is a testament to the commitment to leveraging the latest technology, while positioning the Company for financial growth through incremental capacity and resources. We plan to relocate bitcoin miners to the Montana site, taking advantage of lower cost power facilities, which is a significant step in optimizing our operations. This move offers Sentinum enhanced operational flexibility. We can either transfer machines from our Michigan data center, thereby freeing up power for more profitable AI data center operations, or we can relocate machines currently engaged in third-party hosting agreements. Whichever path we choose, it is poised to substantially improve Sentinum’s profitability, reinforcing our commitment to growth and operational efficiency.

Furthermore, Sentinum, on the back of this transition towards a self-sustaining data center model, will evaluate new opportunities for additional acquisitions to bolster its power capabilities and

overall footprint within the data center and AI space. I believe in the exceptional potential of Sentinum as a cornerstone in our strategy to lead in the technology and AI space.

## **Ault Capital Group**

Ault Capital Group, Inc. (“**Ault Capital Group**”). Operating principally as our investment arm, this entity will manage all other investments, including our investment in Circle 8 Cranes Services, LLC. Ault Capital Group will look to leverage the collective strengths of our diverse portfolio, driving innovation and value across the board.

## **2. Recognizing the Full Potential of Ault Alliance**

Despite our strategic advancements, I sense a vast underappreciation in the market for what Ault Alliance truly represents. This communication is a reaffirmation of the untapped opportunities within our restructured organization.

## **3. Billion-Dollar Aspirations in Our Evolved Portfolio**

With the restructuring, we believe that both Sentinum and Ault Capital Group have great potential on their own, with each having the potential to exceed a billion-dollar valuation within the next 60 months. My confidence in these projections is based on detailed strategic planning and a deep understanding of the intrinsic value these ventures offer.

## **4. Your Role in Our Shared Vision**

As we embark on this journey, the role of our stockholders has never been more crucial. Your continued support and belief in our vision are vital for turning our aspirations into reality and propelling Ault Alliance into an era of unprecedented success and innovation.

In conclusion, our focus remains on sustainable, significant growth, transcending immediate outcomes. As Executive Chairman, I am fully committed to leading Ault Alliance through this exciting phase of transformation and growth.

Thank you for your unwavering trust and commitment to our shared future.

Regards,

Milton “Todd” Ault, III  
Executive Chairman

Ault Alliance reminds you that its estimates and projections are subject to the volatility in Bitcoin market price, the fluctuation in the mining difficulty level, the ability to build out and provide the necessary power for miners, and other factors that may impact the results of Bitcoin mining production or operations. The Company’s trading activities, encompassing both realized and unrealized gains or losses, can cause notable volatility in its reported earnings.

For more information on Ault Alliance and its subsidiaries, Ault Alliance recommends that stockholders, investors, and any other interested parties read Ault Alliance’s public filings and press releases available under the Investor Relations section at [www.Ault.com](http://www.Ault.com) or at [www.sec.gov](http://www.sec.gov).

## **About Ault Alliance, Inc.**

Ault Alliance, Inc. is a diversified holding company pursuing growth by acquiring undervalued businesses and disruptive technologies with a global impact. Through its wholly and majority-

owned subsidiaries and strategic investments, Ault Alliance owns and operates a data center at which it mines Bitcoin and offers colocation and hosting services for the emerging artificial intelligence ecosystems and other industries, and provides mission-critical products that support a diverse range of industries, including metaverse platform, oil exploration, crane services, defense/aerospace, industrial, automotive, medical/biopharma, consumer electronics, hotel operations and textiles. In addition, Ault Alliance extends credit to select entrepreneurial businesses through a licensed lending subsidiary. Ault Alliance's headquarters are located at 11411 Southern Highlands Parkway, Suite 240, Las Vegas, NV 89141; [www.Ault.com](http://www.Ault.com).

### **Forward-Looking Statements**

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements generally include statements that are predictive in nature and depend upon or refer to future events or conditions, and include words such as "believes," "plans," "anticipates," "projects," "estimates," "expects," "intends," "strategy," "future," "opportunity," "may," "will," "should," "could," "potential," or similar expressions. Statements that are not historical facts are forward-looking statements. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties.

Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update any of them publicly in light of new information or future events. Actual results could differ materially from those contained in any forward-looking statement as a result of various factors. More information, including potential risk factors, that could affect the Company's business and financial results are included in the Company's filings with the U.S. Securities and Exchange Commission, including, but not limited to, the Company's Forms 10-K, 10-Q and 8-K. All filings are available at [www.sec.gov](http://www.sec.gov) and on the Company's website at [www.Ault.com](http://www.Ault.com).

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