
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A
(Amendment No. 1)

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 31, 2023

Core Scientific, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-40046
(Commission
File Number)

86-1243837
(IRS Employer
Identification No.)

210 Barton Springs Road, Suite 300
Austin, Texas
(Address of principal executive offices)

78704
(Zip Code)

Registrant's telephone number, including area code: (512) 402-5233

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.0001 per share	CORZQ	*
Warrants, exercisable for shares of common stock	CRZWQ	*

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

* The registrant's common stock and warrants began trading exclusively on the OTC Pink Marketplace on January 3, 2023 under the Symbols "CORZQ" and "CRZWQ," respectively.

Explanatory Note

This Amendment No. 1 amends Item 7.01 of the Current Report on Form 8-K originally filed by Core Scientific, Inc. (the “Company”) with the Securities and Exchange Commission on April 3, 2023 (the “Original Form 8-K”) to correct errors to the monthly operating data furnished within Exhibit 99.1, Exhibit 99.3, Exhibit 99.4 and Exhibit 99.5 attached thereto (the “Exhibits”). Other than as described herein, this Amendment No. 1 does not amend any other information previously filed in the Original Form 8-K, which information is incorporated herein by reference.

As previously announced, on December 21, 2022, the Company and certain of its affiliates (collectively, the “Debtors”) filed voluntary petitions (the “Chapter 11 Cases”) in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”) seeking relief under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”). The Debtors continue to operate their business and manage their properties as “debtors-in-possession” under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. Additional information about the Chapter 11 Cases, including access to Court documents, is available online at cases.stretto.com/CoreScientific/, a website administered by Stretto, Inc., a third-party bankruptcy claims and noticing agent. The information on this web site is not incorporated by reference into, and does not constitute part of, this Form 8-K.

Item 7.01. Regulation FD Disclosure.

On March 31, 2023, the Debtors each filed with the Bankruptcy Court their monthly operating reports for the period beginning February 1, 2023 and ending February 28, 2023 (collectively, the “February Monthly Operating Reports”). The February Monthly Operating Reports of the Company, Core Scientific Operating Company, Core Scientific Acquired Mining LLC and Radar Relay, Inc. are attached hereto, as Exhibits 99.1 through 99.4, and are incorporated herein by reference. Exhibits 99.1 through 99.4 are replacements of the Exhibits attached to the Original Form 8-K. This Amendment No. 1 to the Original Form 8-K (including the exhibits hereto) will not be deemed an admission as to the materiality of any information required to be disclosed solely by Regulation FD. The February Monthly Operating Reports and other filings with the Bankruptcy Court related to the Chapter 11 Cases may be available electronically at cases.stretto.com/CoreScientific/.

The information contained in this Item 7.01 shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and shall not be deemed to be incorporated by reference into any of the Company’s filings under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing.

Cautionary Statement Regarding the February Monthly Operating Reports

The Company cautions investors and potential investors not to place undue reliance upon the information contained in the February Monthly Operating Reports, which were not prepared for the purpose of providing the basis for an investment decision relating to any of the securities of the Company. The February Monthly Operating Reports are limited in scope, cover a limited time period and have been prepared solely for the purpose of complying with the monthly reporting requirements of the Bankruptcy Court. The February Monthly Operating Reports were not audited or reviewed by independent accountants, were not prepared in accordance with generally accepted accounting principles in the United States, are in a format prescribed by applicable bankruptcy laws or rules, and are subject to future adjustment and reconciliation. There can be no assurance that, from the perspective of an investor or potential investor in the Company's securities, the February Monthly Operating Reports are complete. The February Monthly Operating Reports also contain information for periods which are shorter or otherwise different from those required in the Company's reports pursuant to the Exchange Act, and such information might not be indicative of the Company's financial condition or operating results for the period that would be reflected in the Company's financial statements or in its reports pursuant to the Exchange Act. Results set forth in the February Monthly Operating Reports should not be viewed as indicative of future results.

Furthermore, this Form 8-K and/or the February Monthly Operating Reports may include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "estimate," "plan," "project," "forecast," "intend," "will," "expect," "anticipate," "believe," "seek," "target" or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. The Company's actual results may differ materially from those anticipated in these forward-looking statements as a result of certain risks and other factors, which could include the following: risks and uncertainties relating to the Company's Chapter 11 Cases including but not limited to, the Company's ability to obtain Bankruptcy Court approval with respect to motions in its Chapter 11 Cases, successfully enter into and implement a restructuring plan, emerge from Chapter 11 and achieve significant cash flows from operations; the effects of the Chapter 11 Cases on the Company and on the interests of various constituents, Bankruptcy Court rulings in the Chapter 11 Cases and the outcome of the Chapter 11 Cases in general, the length of time the Company will operate under the Chapter 11 Cases, risks associated with any third-party motions in the Chapter 11 Cases, the potential adverse effects of the Chapter 11 Cases on the Company's liquidity or results of operations and increased legal and other professional costs necessary to execute the Company's reorganization; finalization and receipt of the replacement debtor-in-possession facility; satisfaction of any conditions to which the Company's debtor-in-possession financing is subject and the risk that these conditions may not be satisfied for various reasons, including for reasons outside of the Company's control; the consequences of the acceleration of the Company's debt obligations; the trading price and volatility of the Company's common stock and the risks related to trading on the OTC Pink Market; as well as other risk factors set forth in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission. These statements are provided for illustrative purposes only and are based on various assumptions, whether or not identified in this press release, and on the current expectations of the Company's management. These forward-looking statements are not intended to serve, and must not be relied on by any investor, as a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of the Company. These forward-looking statements are subject to a number of risks and uncertainties, including those identified in the Company's reports filed with the U.S. Securities & Exchange Commission, and if any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. Accordingly, undue reliance should not be placed upon the forward-looking statements.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits**

Exhibit No.	Exhibit
99.1	<u>Core Scientific, Inc., Monthly Operating Report for the period ended February 28, 2023</u>
99.2	<u>Core Scientific Operating Company, Monthly Operating Report for the period ended February 28, 2023</u>
99.3	<u>Core Scientific Acquired Mining LLC, Monthly Operating Report for the period ended February 28, 2023</u>
99.4	<u>Radar Relay, Inc., Monthly Operating Report for the period ended February 28, 2023</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

Core Scientific, Inc.

Date: May 1, 2023

By: /s/ Todd M. DuChene

Name: Todd M. DuChene

Title: President and Chief Legal Officer

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	Chapter 11
CORE SCIENTIFIC, INC., <i>et al.</i> ,	§	Case No. 22-90341 (DRJ)
Debtors, ¹	§	(Jointly Administered)

**AMENDED FEBRUARY 2023 MONTHLY
OPERATING REPORT FOR CORE SCIENTIFIC, INC.²**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

² This document (the "**Amended MOR**") amends the *Debtor-In-Possession Monthly Operating Report for Filing Period Ending 2/28/2023* (Case No. 22-90341, Docket No. 744) (the "**Initial MOR**"). For a list of changes to the Amended MOR, please see Exhibit B to the Notice of Filing of Amended January and February 2023 MORs for Debtor Core Scientific, Inc., filed contemporaneously herewith.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON

In Re. Core Scientific, Inc.

§
§
§
§

Case No. 22-90341

Lead Case No. 22-90341

Debtor(s)

☒ Jointly Administered

Monthly Operating Report

Chapter 11

Reporting Period Ended: 02/28/2023

Petition Date: 12/21/2022

Months Pending: 2

Industry Classification: 3 3 4 1

Reporting Method:

Accrual Basis ☒

Cash Basis ☐

Debtor's Full-Time Employees (current):

227

Debtor's Full-Time Employees (as of date of order for relief):

236

Supporting Documentation (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- ☒ Statement of cash receipts and disbursements
- ☒ Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- ☒ Statement of operations (profit or loss statement)
- ☐ Accounts receivable aging
- ☐ Postpetition liabilities aging
- ☐ Statement of capital assets
- ☐ Schedule of payments to professionals
- ☐ Schedule of payments to insiders
- ☐ All bank statements and bank reconciliations for the reporting period
- ☐ Description of the assets sold or transferred and the terms of the sale or transfer

/s/ Alfredo R. Pérez

Signature of Responsible Party

Alfredo R. Pérez

Printed Name of Responsible Party

04/29/2023

Date

700 Louisiana Street, Suite 1700, Houston, Texas 77002

Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Part 1: Cash Receipts and Disbursements

	Current Month	Cumulative
a. Cash balance beginning of month	\$ 26,933,068	
b. Total receipts (net of transfers between accounts)	\$ 34,575,113	\$70,122,327
c. Total disbursements (net of transfers between accounts)	\$ 48,830,031	\$51,349,101
d. Cash balance end of month (a+b-c)	\$ 12,678,150	
e. Disbursements made by third party for the benefit of the estate	\$ 0	\$ 0
f. Total disbursements for quarterly fee calculation (c+e)	\$ 48,830,031	\$51,349,101

Part 2: Asset and Liability Status

(Not generally applicable to Individual Debtors. See Instructions.)

	Current Month	
a. Accounts receivable (total net of allowance)	\$ 488,990,509	
b. Accounts receivable over 90 days outstanding (net of allowance)	\$ 0	
c. Inventory (Book <input checked="" type="checkbox"/> Market <input type="checkbox"/> Other <input type="checkbox"/> (attach explanation))	\$ 0	
d. Total current assets	\$2,295,183,419	
e. Total assets	\$2,297,742,208	
f. Postpetition payables (excluding taxes)	\$ 0	
g. Postpetition payables past due (excluding taxes)	\$ 0	
h. Postpetition taxes payable	\$ 0	
i. Postpetition taxes past due	\$ 0	
j. Total postpetition debt (f+h)	\$ 0	
k. Prepetition secured debt	\$ 560,887,934	
l. Prepetition priority debt	\$ 0	
m. Prepetition unsecured debt	\$ 0	
n. Total liabilities (debt) (j+k+l+m)	\$ 560,887,934	
o. Ending equity/net worth (e-n)	\$1,736,854,274	

Part 3: Assets Sold or Transferred

	Current Month	Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$ 0	\$ 0
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$ 0	\$ 0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$ 0	\$ 0

Part 4: Income Statement (Statement of Operations)

(Not generally applicable to Individual Debtors. See Instructions.)

	Current Month	Cumulative
a. Gross income/sales (net of returns and allowances)	\$ 0	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$ 0	
c. Gross profit (a-b)	\$ 0	
d. Selling expenses	\$ 0	
e. General and administrative expenses	\$ 0	
f. Other expenses	\$ 0	
g. Depreciation and/or amortization (not included in 4b)	\$ 0	
h. Interest	\$ 0	
i. Taxes (local, state, and federal)	\$ 0	
j. Reorganization items	\$ 0	
k. Profit (loss)	\$ 0	\$ 91,773

Part 5: Professional Fees and Expenses			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
a.	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>		\$543,750	\$543,750	\$543,750	\$543,750
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
i	PJT Partners	Financial Professional	\$543,750	\$543,750	\$543,750	\$543,750
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b.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>					
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
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c. All professional fees and expenses (debtor & committees)			\$ 543,750	\$ 543,750	\$ 543,750	\$ 543,750

Part 6: Postpetition Taxes

	Current Month	Cumulative
a. Postpetition income taxes accrued (local, state, and federal)	\$ 0	\$ 0
b. Postpetition income taxes paid (local, state, and federal)	\$ 0	\$ 0
c. Postpetition employer payroll taxes accrued	\$ 0	\$ 102,744
d. Postpetition employer payroll taxes paid	\$ 0	\$ 0
e. Postpetition property taxes paid	\$ 0	\$ 0
f. Postpetition other taxes accrued (local, state, and federal)	\$ 0	\$ 0
g. Postpetition other taxes paid (local, state, and federal)	\$ 0	\$ 0

Part 7: Questionnaire - During this reporting period:

a. Were any payments made on prepetition debt? (if yes, see Instructions)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
c. Were any payments made to or on behalf of insiders?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
d. Are you current on postpetition tax return filings?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
e. Are you current on postpetition estimated tax payments?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
f. Were all trust fund taxes remitted on a current basis?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions)	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
h. Were all payments made to or on behalf of professionals approved by the court?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/> N/A <input type="checkbox"/>
i. Do you have: Worker's compensation insurance?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If yes, are your premiums current?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/> N/A <input type="checkbox"/> (if no, see Instructions)
Casualty/property insurance?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If yes, are your premiums current?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/> N/A <input type="checkbox"/> (if no, see Instructions)
General liability insurance?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If yes, are your premiums current?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/> N/A <input type="checkbox"/> (if no, see Instructions)
j. Has a plan of reorganization been filed with the court?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
k. Has a disclosure statement been filed with the court?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Part 8: Individual Chapter 11 Debtors (Only)

a. Gross income (receipts) from salary and wages	\$	0
b. Gross income (receipts) from self-employment	\$	0
c. Gross income from all other sources	\$	0
d. Total income in the reporting period (a+b+c)	\$	0
e. Payroll deductions	\$	0
f. Self-employment related expenses	\$	0
g. Living expenses	\$	0
h. All other expenses	\$	0
i. Total expenses in the reporting period (e+f+g+h)	\$	0
j. Difference between total income and total expenses (d-i)	\$	0
k. List the total amount of all postpetition debts that are past due	\$	0
l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
m. If yes, have you made all Domestic Support Obligation payments?	Yes <input type="checkbox"/>	No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

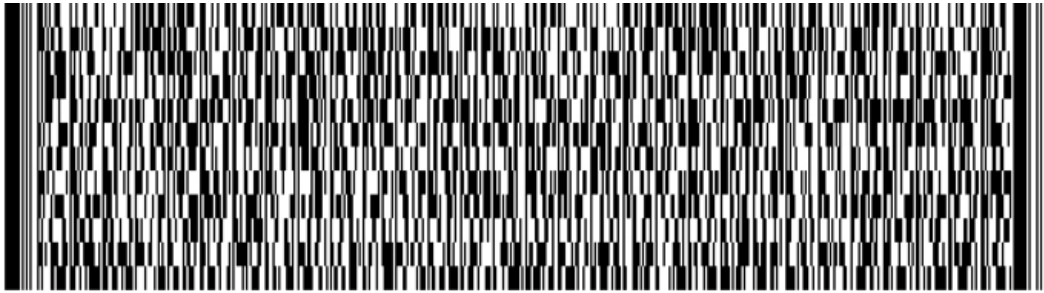
I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ Michael Bros
Signature of Responsible Party

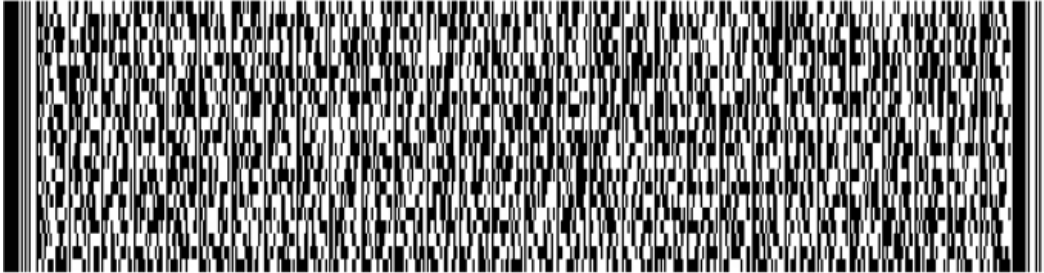
SVP, Capital Markets and Acquisitions
Title

Michael Bros
Printed Name of Responsible Party

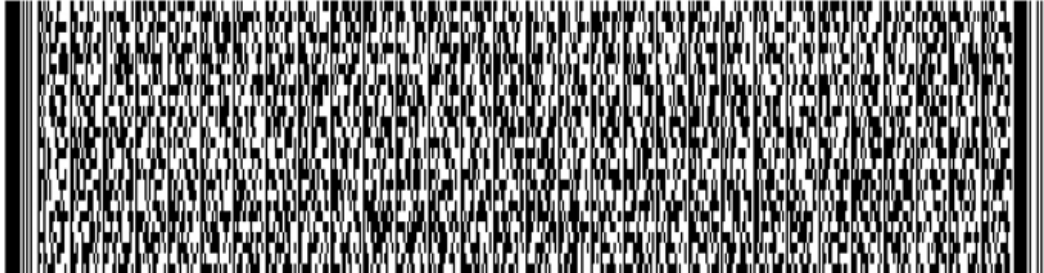
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Date



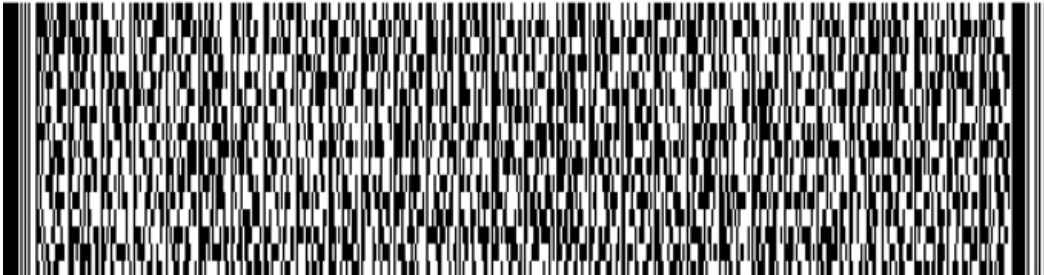
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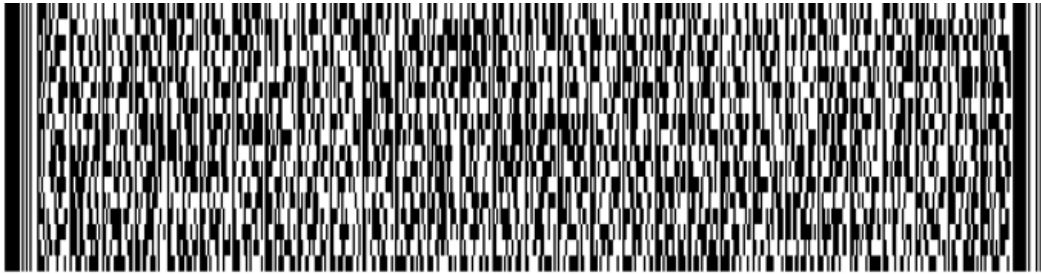
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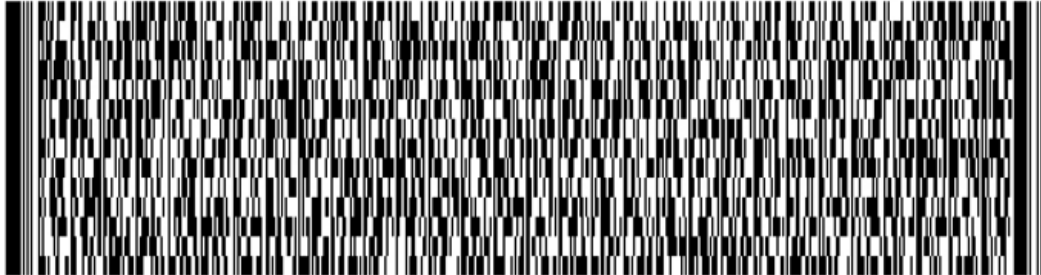
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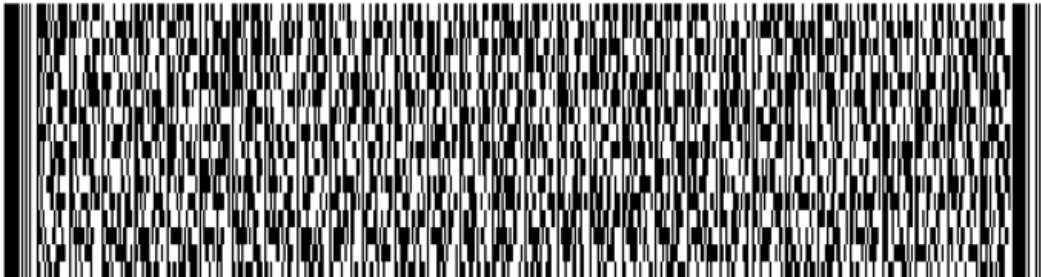
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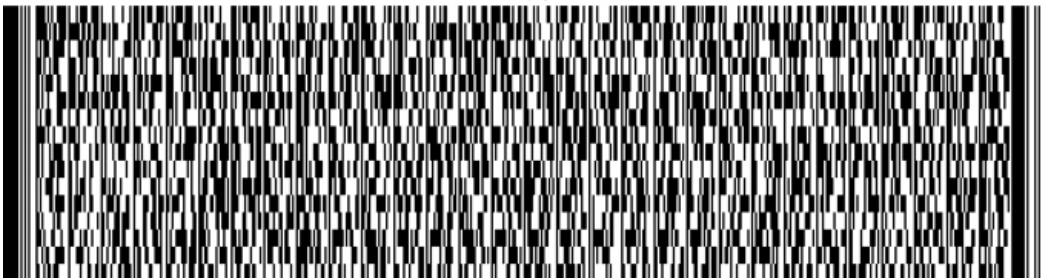
Bankruptcy1to50



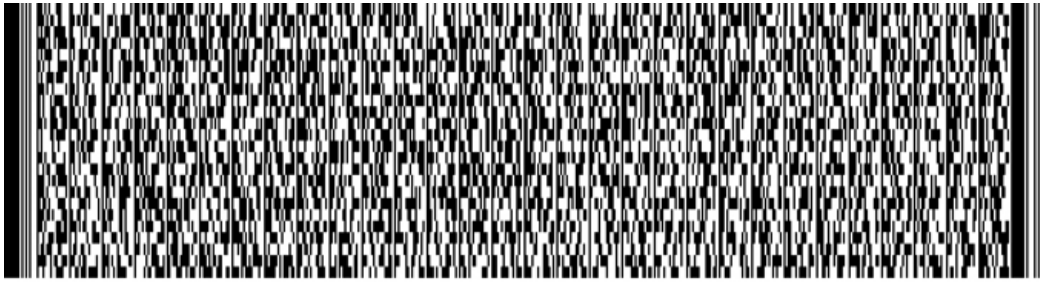
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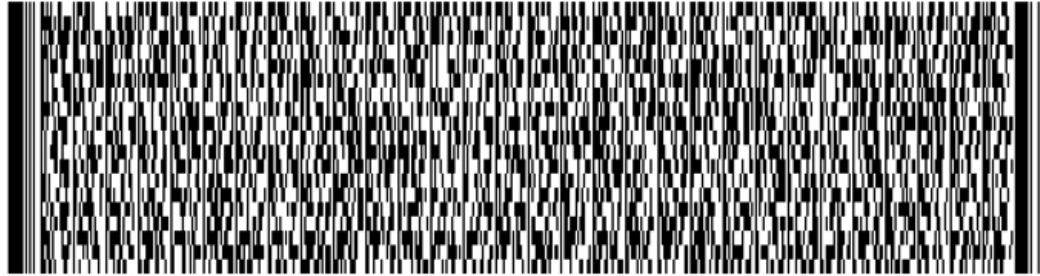
NonBankruptcy1to50



NonBankruptcy51to100



PageThree



PageFour

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§ Chapter 11
	§
CORE SCIENTIFIC, INC., <i>et al.</i> ,	§ Case No. 22-90341 (DRJ)
	§
Debtors. ¹	§ (Jointly Administered)

MONTHLY OPERATING REPORT NOTES FOR FEBRUARY 2023

On December 21, 2022 (the “Petition **Date**”), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors” or the “Company”), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the “Bankruptcy **Code**”) in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy **Court**”). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors’ chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy **Rules**”) and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the “Local **Rules**”). On January 9, 2023, the United States Trustee for Region 7 (the “U.S. **Trustee**”) appointed an official committee of unsecured creditors (the “Creditors’ **Committee**”) in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the “Equity **Committee**”) in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the “MOR”).

1. **Introduction.** This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States (“GAAP”), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors’ books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors’ corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on February 1, 2023 and ending February 28, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. **Reservation of Rights.** This MOR is limited in scope, covers the period beginning on February 1, 2023 and ending February 28, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. **Basis of Presentation.** Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of February 28, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning February 1, 2023 and ending February 28, 2023.

4. **Accounting Principles.** The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

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5. **Currency.** Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
 6. **Consolidated Entity Accounts Payable and Disbursement Systems.** Cash is received and disbursed by the Debtors as described in the *Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief* (Docket No. 12) (the “Cash Management Motion”) and the Debtors’ receipt and disbursement of cash is consistent with the Debtors’ historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
 7. **Supporting Documentation.** At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors’ bank statements or the Debtors’ books and records. For additional information on ending cash balances per the Debtors’ books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise (“LSTC”): LSTC represent the Debtors’ estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

Schedule of Asset Sales. This schedule provides the total cash sales price for assets sold/transferred outside the ordinary course of business for the period on page 1 of the MOR.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: recipient; date of payment or benefit provided; amount of cash payment or market value of non-cash payment; and reason for each payment made.

8. **Part 1, Cash Receipts and Disbursements.** Cumulative quarter-to-date for Q1 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through February 28, 2023 are \$104,060,073.

On February 2, 2023, the Bankruptcy Court entered the *Order (I) Authorizing the Debtors on an Interim Basis to (A) Obtain Senior Secured Non-Priming Superpriority Replacement Postpetition Financing and (B) Use Cash Collateral, (II) Authorizing the Debtors to Refinance Existing Postpetition Financing on a Final Basis, (III) Granting Liens and Providing Claims with Superpriority Administrative Expense Status, (IV) Granting Adequate Protection to the Prepetition Secured Parties on a Final Basis, (V) Modifying the Automatic Stay, (VI) Schedule a Final Hearing, and (VII) Granting Related Relief* (Docket No. 447) (the “**Interim Replacement DIP Order**”). As a result, debtor’s cash position during the month of February reflects the receipt of \$34.6 million in proceeds under the debtor in possession credit facility authorized by Interim Replacement DIP Order (the “**Replacement DIP Facility**”), and the disbursement of \$46.4 million to pay down outstanding amounts and the termination fee in connection with the original debtor in possession credit facility (the “**Initial DIP Facility**”) as authorized by the Interim Replacement DIP Order.

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9. **Part 3, Assets Sold or Transferred.** The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.

On February 1, 2023, the Bankruptcy Court entered the *Order (I) Authorizing and Approving Sale of Bitmain Coupons, Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Granting Related Relief* (Docket No. 429) (the "Bitmain **Sale Order**"). For more information on the sales made pursuant to the Bitmain Sale Order, please see MOR-4: Total Cash Sales Price for Assets Sold/Transferred Outside the Ordinary Course of Business.

10. **Part 5a, Professional Fees and Expenses.** For purposes of Part 5a of the MORs, and consistent with the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* (Docket No. 541) (the "**Interim Compensation Order**"), professional fees and expenses are considered approved if the applicable Monthly Statement (as defined in the Interim Compensation Order) has been served and the objection deadline relating to such Monthly Statement has expired prior to the last day of the applicable MOR period.
11. **Part 7 Questionnaire.** Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "**First Day Orders**"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

[illegible]

MOR-2: End of February 2023 Balance Sheet

<i>(US \$)</i>	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC	Elimination Co	Total ¹
ASSETS													
Cash and Equivalents	—	979,913	48,811,128	—	—	—	—	—	—	—	—	—	49,791,041
Restricted Cash	—	—	14,265,349	—	—	—	—	—	—	—	—	—	14,265,349
Total Cash	—	979,913	63,076,478	—	—	—	—	—	—	—	—	—	64,056,390
Accounts receivable, net of allowance	—	—	198,084	—	—	—	—	—	—	—	—	—	198,084
Accounts receivable from related parties	488,990,509	142,852,775	(487,796,434)	1,184,866	—	—	—	—	—	—	—	(145,203,028)	28,928,693
Deposits for equipment	—	—	14,200,704	—	—	—	—	—	—	—	—	—	14,200,704
Digital currency assets	—	81,454	952,018	—	—	—	—	—	—	—	—	—	1,033,472
Prepaid expenses and other	—	22,891,263	25,714,359	—	—	—	—	—	—	—	—	(22,882,354)	25,723,268
Total other current assets	1,806,192,910	(1,128,242,790)	(653,817,091)	12,734	—	—	—	—	—	—	—	—	24,145,620
Total Current Assets	2,295,183,419	(961,437,386)	(1,037,471,682)	1,197,600	—	—	—	—	—	—	—	(168,085,381)	129,386,056
Property, plant and equipment	—	63,747,014	617,580,021	—	—	—	—	—	—	—	—	(15,616,704)	665,710,331
Operating lease-right-of-use assets	—	—	20,099,114	—	—	—	—	—	—	—	—	—	20,099,114
Goodwill	—	232,587,379	(167,058,249)	(65,529,130)	—	—	—	—	—	—	—	—	—
Intangible assets, net	—	—	1,578,039	—	—	—	—	—	—	—	—	—	1,578,039
Other noncurrent assets	2,558,789	(0)	6,725,103	—	—	—	—	—	—	—	—	—	9,283,892
Total Assets	2,297,742,208	(665,102,992)	(558,547,653)	(64,331,531)	—	—	—	—	—	—	—	(183,702,085)	826,057,160
LIABILITIES, PREFERRED STOCK & EQUITY													
Accounts Payable	—	145,220,734	88,885,054	14,750	—	—	—	—	—	—	—	(145,203,028)	88,917,510
Accrued expenses and other	199,366	18,145,227	36,826,275	—	—	—	—	—	—	—	—	—	55,170,868
Deferred revenue	—	—	110,859,943	—	—	—	—	—	—	—	—	(38,770,551)	72,089,392
Derivative warrant liabilities	(900)	—	—	—	—	—	—	—	—	—	—	—	(900)
Operating lease liabilities, current portion	—	—	1,212,573	—	—	—	—	—	—	—	—	—	1,212,573
Financing lease liabilities, current portion	—	—	70,804,327	—	—	—	—	—	—	—	—	—	70,804,327
Long-term debt, current portion	—	—	880,936,991	—	—	—	—	—	—	—	—	—	880,936,991
Total current liabilities	198,466	163,365,962	1,189,525,164	14,750	—	—	—	—	—	—	—	(183,973,579)	1,169,130,392
Operating lease liabilities, net of current portion	—	—	14,082,877	—	—	—	—	—	—	—	—	—	14,082,877
Financing lease liabilities, net of current portion	—	—	—	—	—	—	—	—	—	—	—	—	—
Long-term debt, net of current portion	8,356,293	—	(8,356,293)	—	—	—	—	—	—	—	—	—	—
Other noncurrent liabilities	—	18,084,856	(15,497,086)	(2,587,769)	—	—	—	—	—	—	—	—	(2,587,769)
Total Liabilities	8,554,759	181,450,818	1,179,754,661	(2,573,019)	—	—	—	—	—	—	—	(183,973,579)	1,183,213,000
Pre-Petition Subject to Compromise	684,395,370	—	(684,395,370)	—	—	—	—	—	—	—	—	—	—
Total Pre-Petition Subject to Compromise	684,395,370	—	(684,395,370)	—	—	—	—	—	—	—	—	—	—
Post-Petition Short Term Liabilities	—	—	70,194,512	—	—	—	—	—	—	—	—	—	70,194,512
Post-Petition Long Term Liabilities	—	—	—	—	—	—	—	—	—	—	—	—	—
Preferred stock	—	—	—	—	—	—	—	—	—	—	—	—	—
Common stock	37,478	—	—	—	—	—	—	—	—	—	—	—	37,478
Additional paid-in capital	1,784,535,539	(15,979,141)	2,887,621	—	—	—	—	—	—	—	—	—	1,771,444,019
Accumulated deficit	(179,780,938)	(830,621,651)	(1,126,989,078)	(61,758,512)	—	—	—	—	—	—	—	318,476	(2,198,831,975)
Other Comprehensive Income	—	—	—	—	—	—	—	—	—	—	—	—	—
Cumulative Translation Adjustment	—	46,983	—	—	—	—	—	—	—	—	—	(46,983)	—
Total Equity	1,604,792,079	(846,553,810)	(1,124,101,457)	(61,758,512)	—	—	—	—	—	—	—	271,494	(427,350,250)
Total Liabilities, Preferred Stock & Equity	2,297,742,208	(665,102,992)	(558,547,653)	(64,331,531)	—	—	—	—	—	—	—	(183,702,085)	826,057,160

¹ The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

		Core Scientific, Inc.	Core Scientific Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Total Revenue (US \$)												
Hosting revenue from customers		—	—	5,572,292.84	—	—	—	—	—	—	—	—
Hosting revenue from related parties		—	—	1,150,524.29	—	—	—	—	—	—	—	—
Equipment sales to customers		—	—	—	—	—	—	—	—	—	—	—
Equipment sales to related parties		—	—	—	—	—	—	—	—	—	—	—
Digital asset mining income		—	2,541,229.01	29,230,494.63	—	—	—	—	—	—	—	—
Network services and defi revenue		—	—	—	—	—	—	—	—	—	—	—
Total Revenue		—	2,541,229.01	35,953,311.76	—	—	—	—	—	—	—	—
Cost of revenue		—	(3,349,178.14)	(48,048,910.31)	—	—	—	—	—	—	—	—
Gross Profit		—	(807,949.13)	(12,095,598.55)	—	—	—	—	—	—	—	—
Gain (loss) on legal settlements		—	—	—	—	—	—	—	—	—	—	—
Gain (loss) from sales of digital currency assets		—	32,769.05	349,306.85	—	—	—	—	—	—	—	—
Impairments of digital currency assets		—	(41,547.19)	(441,990.84)	—	—	—	—	—	—	—	—
Impairment of goodwill and other intangibles		—	—	—	—	—	—	—	—	—	—	—
Impairment of property, plant and equipment		—	—	—	—	—	—	—	—	—	—	—
Losses on exchange or disposal of property, plant and equipment		—	—	—	—	—	—	—	—	—	—	—
Operating expenses:		—	—	—	—	—	—	—	—	—	—	—
Research and development		—	—	(474,219.20)	(6,500.00)	—	—	—	—	—	—	—
Sales and marketing		—	—	(263,204.87)	—	—	—	—	—	—	—	—
General and administrative		—	(6,471.35)	(5,383,112.09)	—	—	—	—	—	—	—	—
Advisor Fees		—	—	(10,871,543.89)	—	—	—	—	—	—	—	—
Total operating expenses		—	(6,471.35)	(16,992,080.05)	(6,500.00)	—	—	—	—	—	—	—
Operating Income (Loss)		—	(823,198.62)	(29,180,362.59)	(6,500.00)	—	—	—	—	—	—	—
Non-operating income (expense), net:		—	—	—	—	—	—	—	—	—	—	—
Loss on debt extinguishment		—	—	—	—	—	—	—	—	—	—	—
Interest expense, net		—	—	50,479.61	—	—	—	—	—	—	—	—
Other non-operating expenses, net		—	—	44,480,694.39	—	—	—	—	—	—	—	—
Reorganization items		—	—	(2,505,327.54)	—	—	—	—	—	—	—	—
Total Non-operating income (expense), net:		—	—	42,025,846.46	—	—	—	—	—	—	—	—
Income (loss) before income taxes		—	(823,198.62)	12,845,483.87	(6,500.00)	—	—	—	—	—	—	—
Income tax expense		—	—	—	—	—	—	—	—	—	—	—
Net Income (Loss)		—	(823,198.62)	12,845,483.87	(6,500.00)	—	—	—	—	—	—	—

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	Chapter 11
	§	
CORE SCIENTIFIC, INC., <i>et al.</i> ,	§	Case No. 22-90341 (DRJ)
	§	
Debtors. ¹	§	(Jointly Administered)

AMENDED FEBRUARY 2023 MONTHLY
OPERATING REPORT FOR CORE SCIENTIFIC OPERATING COMPANY²

- ¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.
- ² This document (the "**Amended MOR**") amends the *Debtor-In-Possession Monthly Operating Report for Filing Period Ending 2/28/2023* (Case No. 22-90343, Docket No. 8) (the "**Initial MOR**"). For a list of changes to the Amended MOR, please see Exhibit B to the Notice of Filing of Amended January and February 2023 MORs for Debtor Core Scientific Operating Company, filed contemporaneously herewith.

1

Part 1: Cash Receipts and Disbursements

	Current Month	Cumulative
a. Cash balance beginning of month	\$ 36,385,865	
b. Total receipts (net of transfers between accounts)	\$ 36,204,115	\$ 88,192,506
c. Total disbursements (net of transfers between accounts)	\$ 23,307,860	\$ 44,287,189
d. Cash balance end of month (a+b-c)	\$ 49,282,121	
e. Disbursements made by third party for the benefit of the estate	\$ 0	\$ 0
f. Total disbursements for quarterly fee calculation (c+e)	\$ 23,307,860	\$ 44,287,189

Part 2: Asset and Liability Status

(Not generally applicable to Individual Debtors. See Instructions.)

	Current Month	
a. Accounts receivable (total net of allowance)	\$ -487,598,350	
b. Accounts receivable over 90 days outstanding (net of allowance)	\$ 0	
c. Inventory (Book <input checked="" type="checkbox"/> Market <input type="checkbox"/> Other <input type="checkbox"/> (attach explanation))	\$ 952,018	
d. Total current assets	\$ -1,037,471,682	
e. Total assets	\$ -558,547,653	
f. Postpetition payables (excluding taxes)	\$ 142,255,910	
g. Postpetition payables past due (excluding taxes)	\$ 0	
h. Postpetition taxes payable	\$ 35,980	
i. Postpetition taxes past due	\$ 0	
j. Total postpetition debt (f+h)	\$ 142,291,890	
k. Prepetition secured debt	\$ 384,779,516	
l. Prepetition priority debt	\$ 47,097,962	
m. Prepetition unsecured debt	\$ 117,121,333	
n. Total liabilities (debt) (j+k+l+m)	\$ 691,290,701	
o. Ending equity/net worth (e-n)	\$ -1,249,838,354	

Part 3: Assets Sold or Transferred

	Current Month	Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$ 2,688,789	\$ 2,688,789
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$ 0	\$ 0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$ 2,688,789	\$ 2,688,789

Part 4: Income Statement (Statement of Operations)

(Not generally applicable to Individual Debtors. See Instructions.)

	Current Month	Cumulative
a. Gross income/sales (net of returns and allowances)	\$ 35,953,312	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$ 48,048,910	
c. Gross profit (a-b)	\$ -12,095,598	
d. Selling expenses	\$ 263,205	
e. General and administrative expenses	\$ 5,383,112	
f. Other expenses	\$ 11,345,763	
g. Depreciation and/or amortization (not included in 4b)	\$ 114,151	
h. Interest	\$ -50,480	
i. Taxes (local, state, and federal)	\$ 0	
j. Reorganization items	\$ 2,505,328	
k. Profit (loss)	\$ 12,845,484	\$ -35,121,029

Part 5: Professional Fees and Expenses						
a.	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>			Approved Current Month	Approved Cumulative	Paid Current Month
	<i>Itemized Breakdown by Firm</i>					Paid Cumulative
	Firm Name	Role				
i	Stretto, Inc	Other		\$197,867	\$212,975	\$103,875
ii						
iii						
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viii						
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b.			Approved	Approved	Paid Current	Paid
			Current Month	Cumulative	Month	Cumulative
	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>		\$ 10,725	\$ 10,725	\$ 0	\$ 0
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
i	Fishman Stewart PLLC	Local Counsel	\$ 2,070	\$ 2,070	\$ 0	\$ 0
ii	Frost Brown Todd Attorneys LL	Other	\$ 4,728	\$ 4,728	\$ 0	\$ 0
iii	Horne LLP	Other	\$ 3,928	\$ 3,928	\$ 0	\$ 0
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c.	All professional fees and expenses (debtor & committees)			\$208,591	\$223,700	\$103,875 \$118,983

Part 6: Postpetition Taxes

	Current Month	Cumulative
a. Postpetition income taxes accrued (local, state, and federal)	\$ 35,980	\$ 65,977
b. Postpetition income taxes paid (local, state, and federal)	\$ 0	\$ 0
c. Postpetition employer payroll taxes accrued	\$ 96,613	\$ 201,632
d. Postpetition employer payroll taxes paid	\$ 171,765	\$ 384,581
e. Postpetition property taxes paid	\$ 0	\$ 17,284
f. Postpetition other taxes accrued (local, state, and federal)	\$ 2,090	\$ 125,665
g. Postpetition other taxes paid (local, state, and federal)	\$ 0	\$ 0

Part 7: Questionnaire -During this reporting period:

- a. Were any payments made on prepetition debt? (if yes, see Instructions) Yes ☒ No ☐
- b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Yes ☐ No ☒
- c. Were any payments made to or on behalf of insiders? Yes ☒ No ☐
- d. Are you current on postpetition tax return filings? Yes ☒ No ☐
- e. Are you current on postpetition estimated tax payments? Yes ☒ No ☐
- f. Were all trust fund taxes remitted on a current basis? Yes ☒ No ☐
- g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Yes ☐ No ☒
- h. Were all payments made to or on behalf of professionals approved by the court? Yes ☒ No ☐ N/A ☐
- i. Do you have: Worker's compensation insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- Casualty/property insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- General liability insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- j. Has a plan of reorganization been filed with the court? Yes ☐ No ☒
- k. Has a disclosure statement been filed with the court? Yes ☐ No ☒
- l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes ☒ No ☐

Part 8: Individual Chapter 11 Debtors (Only)

a. Gross income (receipts) from salary and wages	\$	0
b. Gross income (receipts) from self-employment	\$	0
c. Gross income from all other sources	\$	0
d. Total income in the reporting period (a+b+c)	\$	0
e. Payroll deductions	\$	0
f. Self-employment related expenses	\$	0
g. Living expenses	\$	0
h. All other expenses	\$	0
i. Total expenses in the reporting period (e+f+g+h)	\$	0
j. Difference between total income and total expenses (d-i)	\$	0
k. List the total amount of all postpetition debts that are past due	\$	0
l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
m. If yes, have you made all Domestic Support Obligation payments?	Yes <input type="checkbox"/>	No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

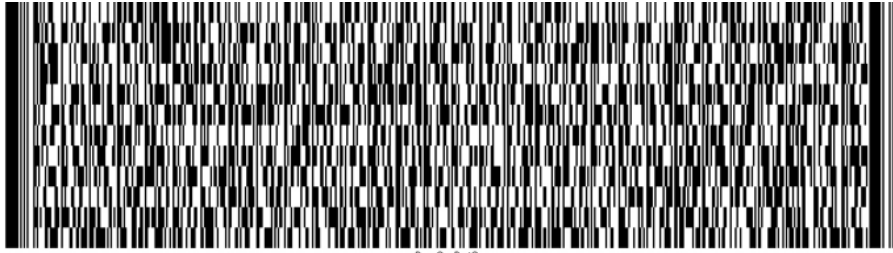
I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ Michael Bros
 Signature of Responsible Party

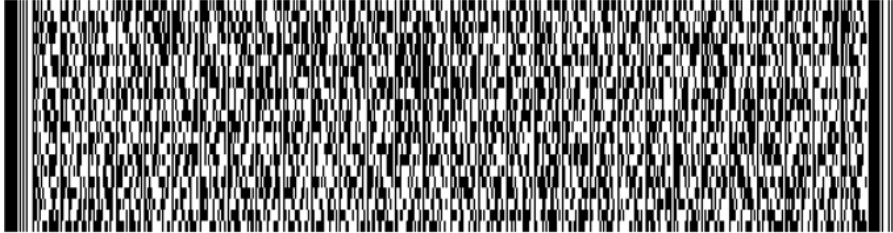
 SVP, Capital Markets and Acquisitions
 Title

Michael Bros
 Printed Name of Responsible Party

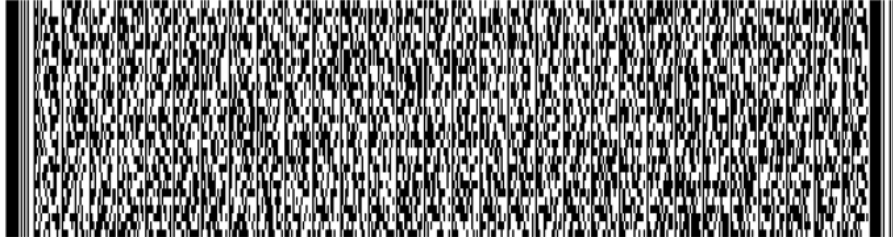
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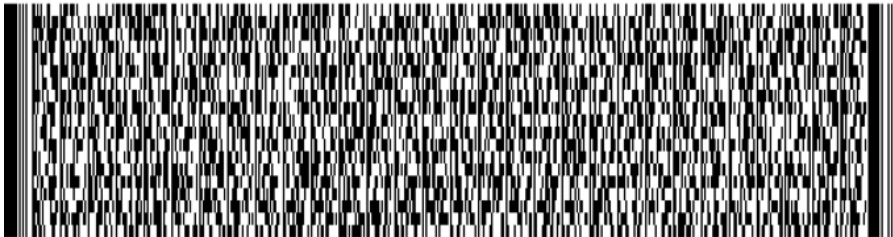
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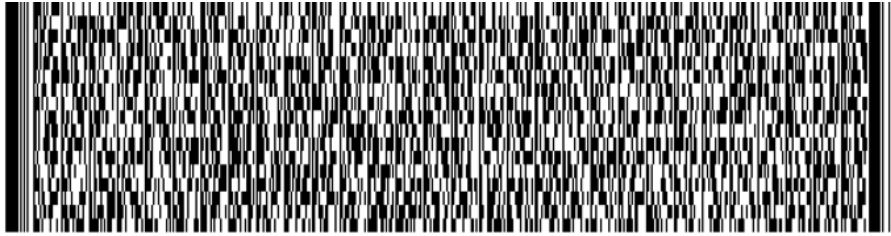
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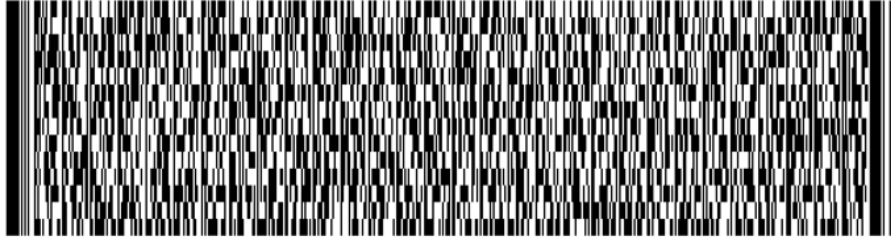
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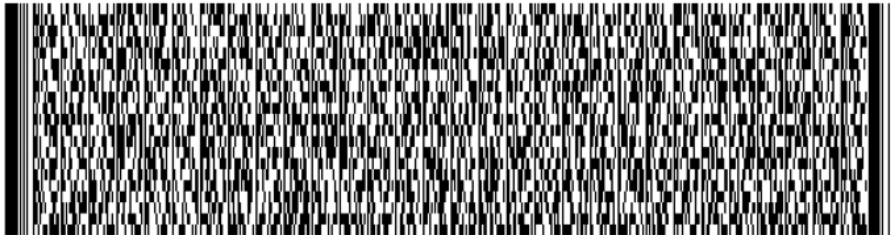
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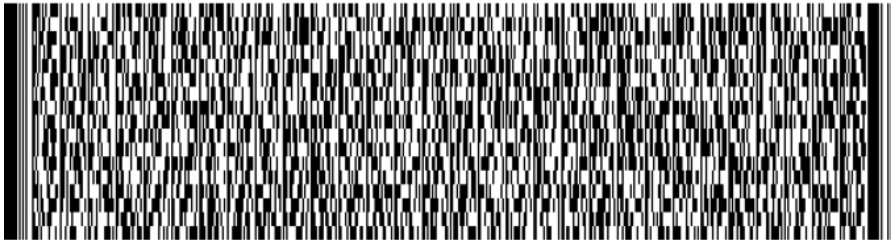
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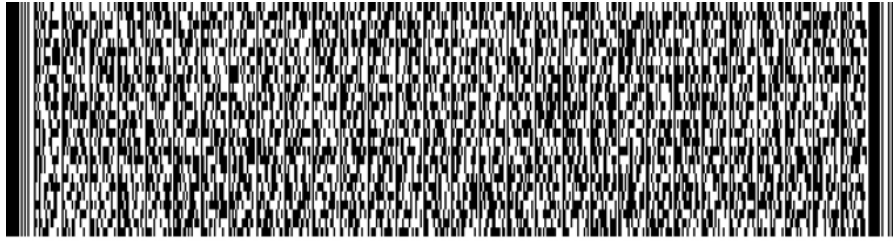
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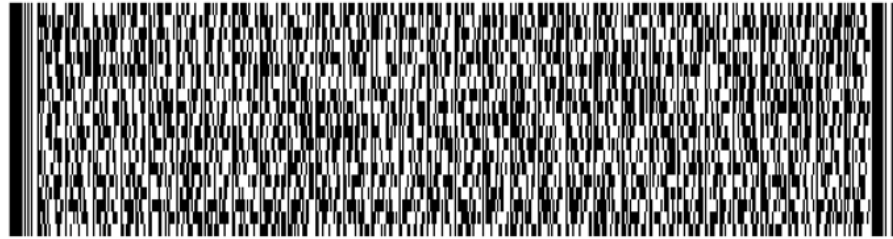
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PageThree



PageFour

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	Chapter 11
	§	
CORE SCIENTIFIC, INC., <i>et al.</i> ,	§	Case No. 22-90341 (DRJ)
	§	
Debtors. ¹	§	(Jointly Administered)

MONTHLY OPERATING REPORT NOTES FOR FEBRUARY 2023

On December 21, 2022 (the “**Petition Date**”), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**” or the “**Company**”), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors’ chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the “**Local Rules**”). On January 9, 2023, the United States Trustee for Region 7 (the “**U.S. Trustee**”) appointed an official committee of unsecured creditors (the “**Creditors’ Committee**”) in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the “**Equity Committee**”) in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the “**MOR**”).

1. **Introduction.** This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States (“**GAAP**”), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors’ books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors’ corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on February 1, 2023 and ending February 28, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. **Reservation of Rights.** This MOR is limited in scope, covers the period beginning on February 1, 2023 and ending February 28, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. **Basis of Presentation.** Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of February 28, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning February 1, 2023 and ending February 28, 2023.

4. **Accounting Principles.** The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

-
5. **Currency.** Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
6. **Consolidated Entity Accounts Payable and Disbursement Systems.** Cash is received and disbursed by the Debtors as described in the *Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief* (Docket No. 12) (the “**Cash Management Motion**”) and the Debtors’ receipt and disbursement of cash is consistent with the Debtors’ historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
7. **Supporting Documentation.** At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors’ bank statements or the Debtors’ books and records. For additional information on ending cash balances per the Debtors’ books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise (“**LSTC**”): LSTC represent the Debtors’ estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a

consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

Schedule of Asset Sales. This schedule provides the total cash sales price for assets sold/transferred outside the ordinary course of business for the period on page 1 of the MOR.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: recipient; date of payment or benefit provided; amount of cash payment or market value of non-cash payment; and reason for each payment made.

8. **Part 1, Cash Receipts and Disbursements.** Cumulative quarter-to-date for Q1 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through February 28, 2023 are \$104,060,073.

On February 2, 2023, the Bankruptcy Court entered the *Order (I) Authorizing the Debtors on an Interim Basis to (A) Obtain Senior Secured Non-Priming Superpriority Replacement Postpetition Financing and (B) Use Cash Collateral, (II) Authorizing the Debtors to Refinance Existing Postpetition Financing on a Final Basis, (III) Granting Liens and Providing Claims with Superpriority Administrative Expense Status, (IV) Granting Adequate Protection to the Prepetition Secured Parties on a Final Basis, (V) Modifying the Automatic Stay, (VI) Schedule a Final Hearing, and (VII) Granting Related Relief* (Docket No. 447) (the “**Interim Replacement DIP Order**”). As a result, debtor’s cash position during the month of February reflects the receipt of \$34.6 million in proceeds under the debtor in possession credit facility authorized by Interim Replacement DIP Order (the “**Replacement DIP Facility**”), and the disbursement of \$46.4 million to pay down outstanding amounts and the termination fee in connection with the original debtor in possession credit facility (the “**Initial DIP Facility**”) as authorized by the Interim Replacement DIP Order.

9. **Part 3, Assets Sold or Transferred.** The Company regularly receives credits

and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.

On February 1, 2023, the Bankruptcy Court entered the *Order (I) Authorizing and Approving Sale of Bitmain Coupons, Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Granting Related Relief* (Docket No. 429) (the “**Bitmain Sale Order**”). For more information on the sales made pursuant to the Bitmain Sale Order, please see MOR-4: Total Cash Sales Price for Assets Sold/Transferred Outside the Ordinary Course of Business.

10. **Part 5a, Professional Fees and Expenses.** For purposes of Part 5a of the MORs, and consistent with the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* (Docket No. 541) (the “**Interim Compensation Order**”), professional fees and expenses are considered approved if the applicable Monthly Statement (as defined in the Interim Compensation Order) has been served and the objection deadline relating to such Monthly Statement has expired prior to the last day of the applicable MOR period.
11. **Part 7 Questionnaire.** Pursuant to certain orders of the Bankruptcy Court entered in the Debtors’ chapter 11 cases (the “**First Day Orders**”), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

[illegible]

Post-Petition Short Term Liabilities	—	—	70,194,512	—	—	—	—	—	—	—	—	—
Post-Petition Long Term Liabilities	—	—	—	—	—	—	—	—	—	—	—	—
Preferred stock	—	—	—	—	—	—	—	—	—	—	—	—
Common stock	37,478	—	—	—	—	—	—	—	—	—	—	—
Additional paid- in capital	1,784,535,539	(15,979,141)	2,887,621	—	—	—	—	—	—	—	—	—
Accumulated deficit	(179,780,938)	(830,621,651)	(1,126,989,078)	(61,758,512)	—	—	—	—	—	—	—	318,476
Other Comprehensive Income	—	—	—	—	—	—	—	—	—	—	—	—
Cumulative Translation Adjustment	—	46,983	—	—	—	—	—	—	—	—	—	(46,983)
Total Equity	1,604,792,079	(846,553,810)	(1,124,101,457)	(61,758,512)	—	—	—	—	—	—	—	271,494
Total Liabilities, Preferred Stock & Equity	2,297,742,208	(665,102,992)	(558,547,653)	(64,331,531)	—	—	—	—	—	—	—	(183,702,085)

¹ The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Total Revenue											
(US \$)											
Hosting revenue from customers	—	—	5,572,292.84	—	—	—	—	—	—	—	—
Hosting revenue from related parties	—	—	1,150,524.29	—	—	—	—	—	—	—	—
Equipment sales to customers	—	—	—	—	—	—	—	—	—	—	—
Equipment sales to related parties	—	—	—	—	—	—	—	—	—	—	—
Digital asset mining income	—	2,541,229.01	29,230,494.63	—	—	—	—	—	—	—	—
Network services and defi revenue	—	—	—	—	—	—	—	—	—	—	—
Total Revenue	—	2,541,229.01	35,953,311.76	—	—	—	—	—	—	—	—
Cost of revenue	—	(3,349,178.14)	(48,048,910.31)	—	—	—	—	—	—	—	—
Gross Profit	—	(807,949.13)	(12,095,598.55)	—	—	—	—	—	—	—	—
Gain (loss) on legal settlements	—	—	—	—	—	—	—	—	—	—	—
Gain (loss) from sales of digital currency assets	—	32,769.05	349,306.85	—	—	—	—	—	—	—	—
Impairments of digital currency assets	—	(41,547.19)	(441,990.84)	—	—	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—	—	—	—	—	—
Impairment of property, plant and equipment	—	—	—	—	—	—	—	—	—	—	—
Losses on exchange or disposal of property, plant and equipment	—	—	—	—	—	—	—	—	—	—	—
Operating expenses:		—			—	—	—	—	—	—	—
Research and development	—	—	(474,219.20)	(6,500.00)	—	—	—	—	—	—	—
Sales and marketing	—	—	(263,204.87)	—	—	—	—	—	—	—	—
General and administrative	—	(6,471.35)	(5,383,112.09)	—	—	—	—	—	—	—	—
Advisor Fees	—	—	(10,871,543.89)	—	—	—	—	—	—	—	—
Total operating expenses	—	(6,471.35)	(16,992,080.05)	(6,500.00)	—	—	—	—	—	—	—
Operating Income (Loss)	—	(823,198.62)	(29,180,362.59)	(6,500.00)	—	—	—	—	—	—	—
Non-operating income (expense), net:		—			—	—	—	—	—	—	—
Loss on debt extinguishment	—	—	—	—	—	—	—	—	—	—	—
Interest expense, net	—	—	50,479.61	—	—	—	—	—	—	—	—
Other non-operating expenses, net	—	—	44,480,694.39	—	—	—	—	—	—	—	—
Reorganization items	—	—	(2,505,327.54)	—	—	—	—	—	—	—	—
Total Non-operating income (expense), net:	—	—	42,025,846.46	—	—	—	—	—	—	—	—
Income (loss) before income taxes	—	(823,198.62)	12,845,483.87	(6,500.00)	—	—	—	—	—	—	—
Income tax expense	—	—	—	—	—	—	—	—	—	—	—
Net Income (Loss)	—	(823,198.62)	12,845,483.87	(6,500.00)	—	—	—	—	—	—	—

Core Scientific Operating Company

MOR-4: 2/1/2023 - 2/28/2023 Total cash sales price for assets sold/transferred outside the ordinary course of business

<u>Date</u>	<u>Period</u>	<u>Description</u>	<u>Amount</u>
14-Feb-23	Feb-23	Bitmain Coupon Sale	522,675.00
9-Feb-23	Feb-23	Bitmain Coupon Sale	93,600.00
8-Feb-23	Feb-23	Bitmain Coupon Sale	257,400.00
8-Feb-23	Feb-23	Bitmain Coupon Sale	114.38
8-Feb-23	Feb-23	Bitmain Coupon Sale	1,815,000.00
Total			2,688,789.38

Core Scientific Operating Company

MOR-5: 2/1/2023 - 2/28/2023 Payments to Insiders

Name	Title	Date	Amount	Description
Mike Levitt	Chief Executive Officer	2/3/2023	\$ 2,307.69	Base Salary
Mike Levitt	Chief Executive Officer	2/17/2023	\$ 2,307.69	Base Salary
Mike Levitt	Chief Executive Officer	2/23/2023	\$ 79.26	Expense Reimbursement
Mike Levitt	Chief Executive Officer	2/23/2023	\$ 24.72	Expense Reimbursement
Mike Levitt	Chief Executive Officer	2/22/2023	\$ 32.74	Expense Reimbursement
Mike Levitt	Chief Executive Officer	2/21/2023	\$ 24.72	Expense Reimbursement
Mike Levitt	Chief Executive Officer	2/21/2023	\$ 28.18	Expense Reimbursement
Denise Sterling	Executive Vice President, Chief Financial Officer	2/3/2023	\$11,538.46	Base Salary
Denise Sterling	Executive Vice President, Chief Financial Officer	2/17/2023	\$11,538.46	Base Salary
Denise Sterling	Executive Vice President, Chief Financial Officer	1/27/2023	\$ 554.25	Expense Reimbursement ¹
Denise Sterling	Executive Vice President, Chief Financial Officer	1/27/2023	\$ 27.39	Expense Reimbursement
Darin Feinstein	Executive Vice President, Strategy	2/3/2023	\$ 2,307.69	Base Salary
Darin Feinstein	Executive Vice President, Strategy	2/17/2023	\$ 2,307.69	Base Salary
Darin Feinstein	Executive Vice President, Strategy	2/22/2023	\$ 217.64	Expense Reimbursement
Darin Feinstein	Executive Vice President, Strategy	2/15/2023	\$ 350.00	Expense Reimbursement
Darin Feinstein	Executive Vice President, Strategy	2/14/2023	\$ 1,214.90	Expense Reimbursement
Darin Feinstein	Executive Vice President, Strategy	2/14/2023	\$ 419.00	Expense Reimbursement
Darin Feinstein	Executive Vice President, Strategy	2/10/2023	\$ 747.90	Expense Reimbursement
Darin Feinstein	Executive Vice President, Strategy	2/10/2023	\$ 799.00	Expense Reimbursement
Darin Feinstein	Executive Vice President, Strategy	2/8/2023	\$ 661.61	Expense Reimbursement
Darin Feinstein	Executive Vice President, Strategy	1/27/2023	\$ 448.99	Expense Reimbursement
Todd DuChene	President and Chief Legal Officer	2/3/2023	\$19,230.77	Base Salary
Todd DuChene	President and Chief Legal Officer	2/17/2023	\$19,230.77	Base Salary
Todd DuChene	President and Chief Legal Officer	12/21/2022	\$ 120.00	Expense Reimbursement

¹ Out of period expense reimbursements were incurred by employees in prior periods and reimbursed to the employee in the current period

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§ Chapter 11
CORE SCIENTIFIC, INC., <i>et al.</i> ,	§
Debtors. ¹	§ Case No. 22-90341 (DRJ)
	§
	§ (Jointly Administered)

AMENDED FEBRUARY 2023 MONTHLY
OPERATING REPORT FOR CORE SCIENTIFIC ACQUIRED MINING LLC²

- ¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.
- ² This document (the "**Amended MOR**") amends the *Debtor-In-Possession Monthly Operating Report for Filing Period Ending 2/28/2023* (Case No. 22-90342, Docket No. 8) (the "**Initial MOR**"). For a list of changes to the Amended MOR, please see Exhibit B to the Notice of Filing of Amended January and February 2023 MORs for Debtor Core Scientific Acquired Mining, filed contemporaneously herewith.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON

In Re. Core Scientific Acquired Mining LLC

§
§
§
§

Case No. 22-90342

Lead Case No. 22-90341

☒ Jointly Administered

Debtor(s)

Monthly Operating Report

Chapter 11

Reporting Period Ended: 02/28/2023

Petition Date: 12/21/2022

Months Pending: 2

Industry Classification: 3 3 4 1

Reporting Method:

Accrual Basis ☒

Cash Basis ☐

Debtor's Full-Time Employees (current):

0

Debtor's Full-Time Employees (as of date of order for relief):

0

Supporting Documentation (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- ☒ Statement of cash receipts and disbursements
- ☒ Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- ☒ Statement of operations (profit or loss statement)
- ☐ Accounts receivable aging
- ☐ Postpetition liabilities aging
- ☐ Statement of capital assets
- ☐ Schedule of payments to professionals
- ☐ Schedule of payments to insiders
- ☐ All bank statements and bank reconciliations for the reporting period
- ☐ Description of the assets sold or transferred and the terms of the sale or transfer

/s/ Alfredo R. Pérez

Signature of Responsible Party

Alfredo R. Pérez

Printed Name of Responsible Party

04/29/2023

Date

700 Louisiana Street, Suite 1700, Houston, Texas 77002

Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Part 1: Cash Receipts and Disbursements

	Current Month	Cumulative
a. Cash balance beginning of month	\$ 1,223,749	
b. Total receipts (net of transfers between accounts)	\$ 2,456,164	\$ 5,874,122
c. Total disbursements (net of transfers between accounts)	\$ 1,583,793	\$ 3,261,528
d. Cash balance end of month (a+b-c)	\$ 2,096,120	
e. Disbursements made by third party for the benefit of the estate	\$ 0	\$ 0
f. Total disbursements for quarterly fee calculation (c+e)	\$ 1,583,793	\$ 3,261,528

Part 2: Asset and Liability Status

(Not generally applicable to Individual Debtors. See Instructions.)

	Current Month
a. Accounts receivable (total net of allowance)	\$ 142,852,775
b. Accounts receivable over 90 days outstanding (net of allowance)	\$ 0
c. Inventory (Book <input checked="" type="checkbox"/> Market <input type="checkbox"/> Other <input type="checkbox"/> (attach explanation))	\$ 81,454
d. Total current assets	\$-961,437,386
e. Total assets	\$-665,102,992
f. Postpetition payables (excluding taxes)	\$ 0
g. Postpetition payables past due (excluding taxes)	\$ 0
h. Postpetition taxes payable	\$ 0
i. Postpetition taxes past due	\$ 0
j. Total postpetition debt (f+h)	\$ 0
k. Prepetition secured debt	\$ 0
l. Prepetition priority debt	\$ 0
m. Prepetition unsecured debt	\$ 0
n. Total liabilities (debt) (j+k+l+m)	\$ 0
o. Ending equity/net worth (e-n)	\$-665,102,992

Part 3: Assets Sold or Transferred

	Current Month	Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$ 0	\$ 0
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$ 0	\$ 0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$ 0	\$ 0

Part 4: Income Statement (Statement of Operations)

(Not generally applicable to Individual Debtors. See Instructions.)

	Current Month	Cumulative
a. Gross income/sales (net of returns and allowances)	\$ 2,541,229	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$ 3,349,178	
c. Gross profit (a-b)	\$ -807,949	
d. Selling expenses	\$ 0	
e. General and administrative expenses	\$ 6,471	
f. Other expenses	\$ 0	
g. Depreciation and/or amortization (not included in 4b)	\$ 1,847	
h. Interest	\$ 0	
i. Taxes (local, state, and federal)	\$ 0	
j. Reorganization items	\$ 0	
k. Profit (loss)	\$ -823,199	\$-1,891,578

Part 5: Professional Fees and Expenses							
a.				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>						
<i>Itemized Breakdown by Firm</i>							
		Firm Name	Role				
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			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>					
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
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c.	All professional fees and expenses (debtor & committees)			\$0	\$0	\$0	\$0

Part 6: Postpetition Taxes

	Current Month	Cumulative
a. Postpetition income taxes accrued (local, state, and federal)	\$ 0	\$ 0
b. Postpetition income taxes paid (local, state, and federal)	\$ 0	\$ 0
c. Postpetition employer payroll taxes accrued	\$ 0	\$ 0
d. Postpetition employer payroll taxes paid	\$ 0	\$ 0
e. Postpetition property taxes paid	\$ 0	\$ 0
f. Postpetition other taxes accrued (local, state, and federal)	\$ 0	\$ 0
g. Postpetition other taxes paid (local, state, and federal)	\$ 0	\$ 0

Part 7: Questionnaire - During this reporting period:

a. Were any payments made on prepetition debt? (if yes, see Instructions)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
c. Were any payments made to or on behalf of insiders?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
d. Are you current on postpetition tax return filings?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
e. Are you current on postpetition estimated tax payments?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
f. Were all trust fund taxes remitted on a current basis?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
h. Were all payments made to or on behalf of professionals approved by the court?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/>
i. Do you have: Worker's compensation insurance?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
If yes, are your premiums current?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> (if no, see Instructions)
Casualty/property insurance?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
If yes, are your premiums current?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> (if no, see Instructions)
General liability insurance?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
If yes, are your premiums current?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> (if no, see Instructions)
j. Has a plan of reorganization been filed with the court?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
k. Has a disclosure statement been filed with the court?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

Part 8: Individual Chapter 11 Debtors (Only)

a. Gross income (receipts) from salary and wages	\$	0
b. Gross income (receipts) from self-employment	\$	0
c. Gross income from all other sources	\$	0
d. Total income in the reporting period (a+b+c)	\$	0
e. Payroll deductions	\$	0
f. Self-employment related expenses	\$	0
g. Living expenses	\$	0
h. All other expenses	\$	0
i. Total expenses in the reporting period (e+f+g+h)	\$	0
j. Difference between total income and total expenses (d-i)	\$	0
k. List the total amount of all postpetition debts that are past due	\$	0
l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
m. If yes, have you made all Domestic Support Obligation payments?	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

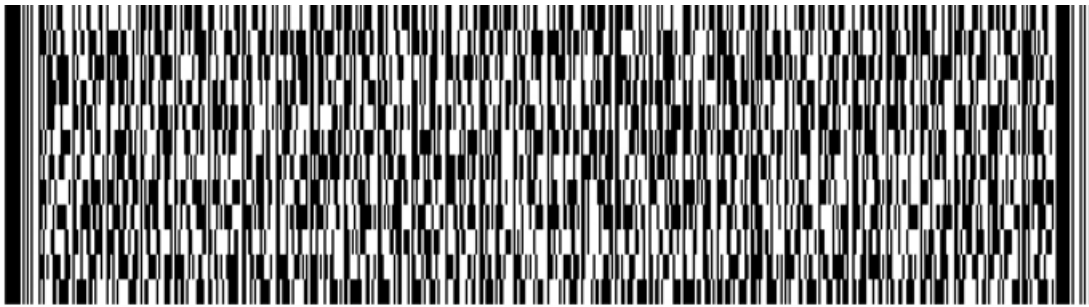
/s/ Michael Bros
Signature of Responsible Party

SVP, Capital Markets and Acquisitions
Title

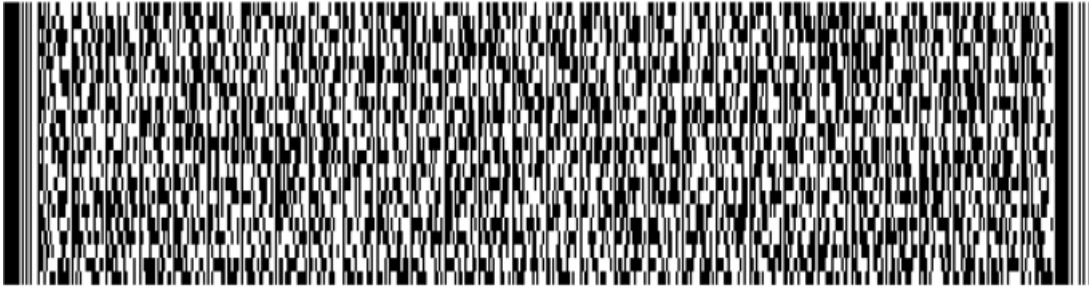
UST Form 11-MOR (12/01/2021)

Michael Bros
Printed Name of Responsible Party

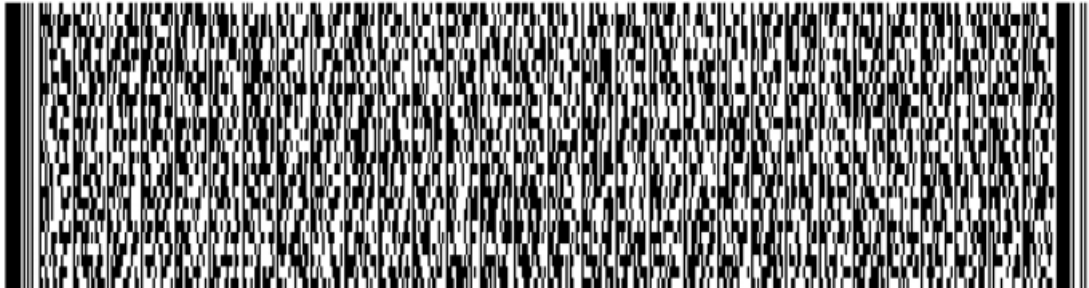
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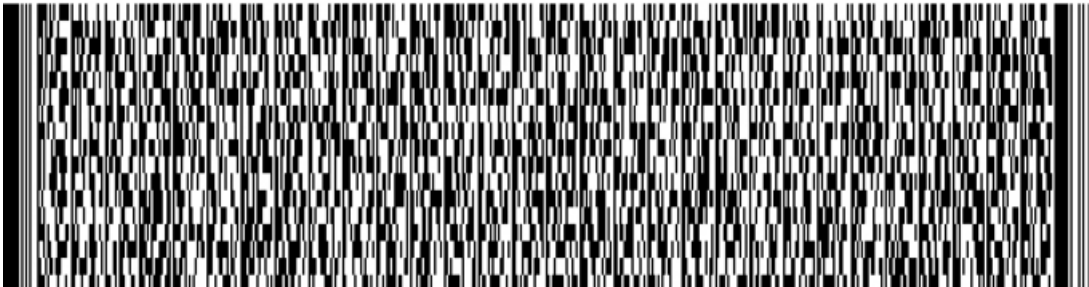
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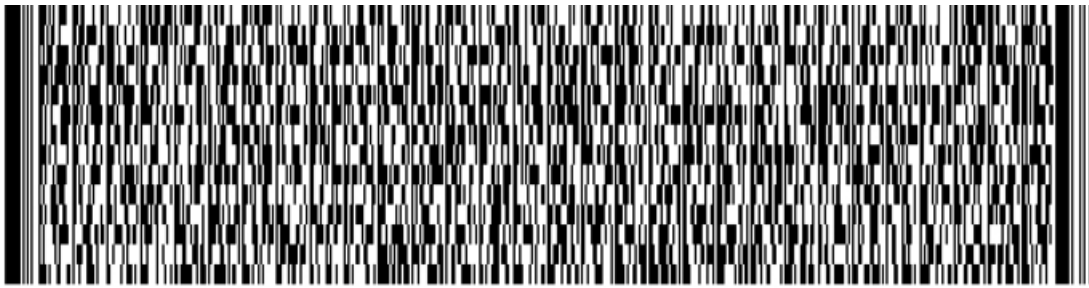
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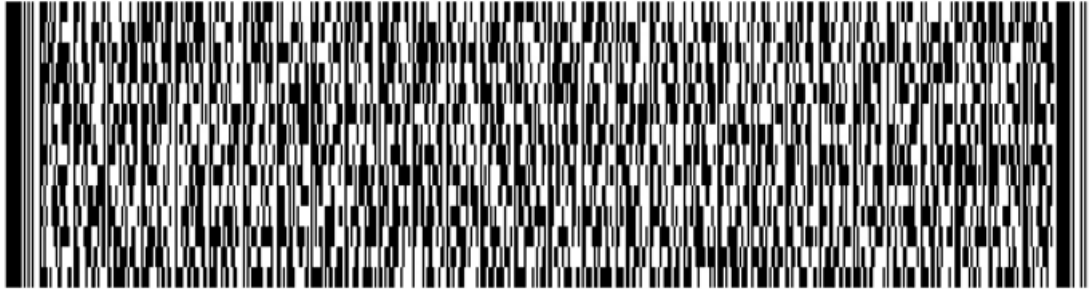
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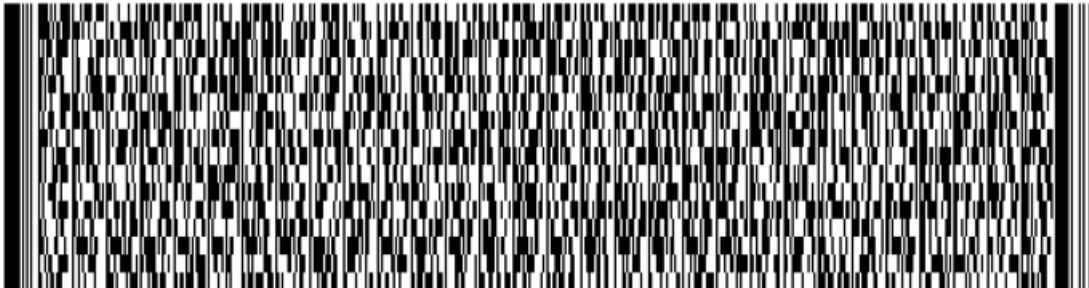
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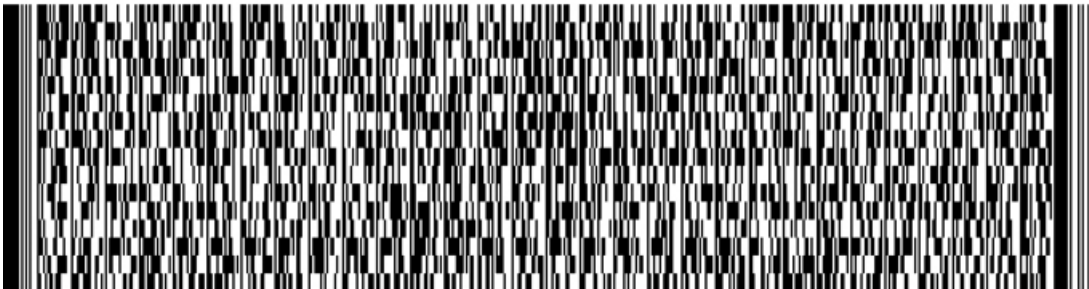
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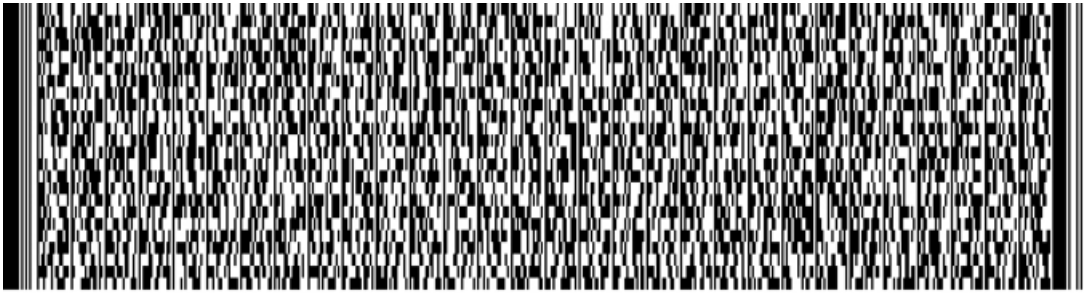
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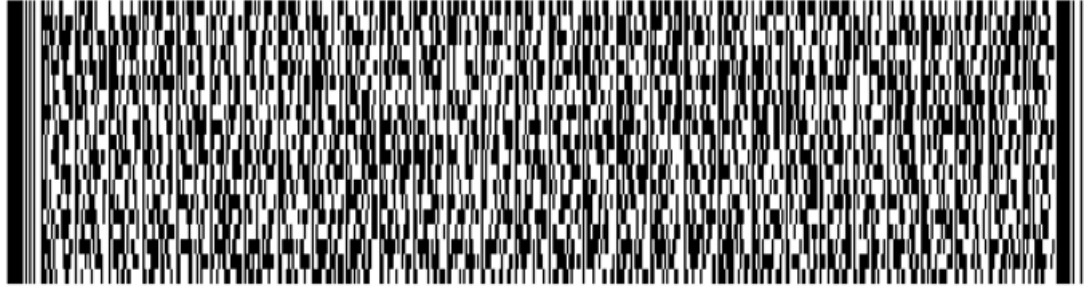
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PageThree



PageFour

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	Chapter 11
	§	
CORE SCIENTIFIC, INC., <i>et al.</i> ,	§	Case No. 22-90341 (DRJ)
	§	
Debtors. ¹	§	(Jointly Administered)

MONTHLY OPERATING REPORT NOTES FOR FEBRUARY 2023

On December 21, 2022 (the “**Petition Date**”), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**” or the “**Company**”), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors’ chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the “**Local Rules**”). On January 9, 2023, the United States Trustee for Region 7 (the “**U.S. Trustee**”) appointed an official committee of unsecured creditors (the “**Creditors’ Committee**”) in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the “**Equity Committee**”) in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the “**MOR**”).

1. **Introduction.** This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States (“**GAAP**”), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors’ books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors’ corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on February 1, 2023 and ending February 28, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. **Reservation of Rights.** This MOR is limited in scope, covers the period beginning on February 1, 2023 and ending February 28, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. **Basis of Presentation.** Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of February 28, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning February 1, 2023 and ending February 28, 2023.

4. **Accounting Principles.** The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

-
5. **Currency.** Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
6. **Consolidated Entity Accounts Payable and Disbursement Systems.** Cash is received and disbursed by the Debtors as described in the *Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief* (Docket No. 12) (the “**Cash Management Motion**”) and the Debtors’ receipt and disbursement of cash is consistent with the Debtors’ historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
7. **Supporting Documentation.** At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors’ bank statements or the Debtors’ books and records. For additional information on ending cash balances per the Debtors’ books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise (“**LSTC**”): LSTC represent the Debtors’ estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

Schedule of Asset Sales. This schedule provides the total cash sales price for assets sold/transferred outside the ordinary course of business for the period on page 1 of the MOR.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: recipient; date of payment or benefit provided; amount of cash payment or market value of non-cash payment; and reason for each payment made.

8. **Part 1, Cash Receipts and Disbursements.** Cumulative quarter-to-date for Q1 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through February 28, 2023 are \$104,060,073.

On February 2, 2023, the Bankruptcy Court entered the *Order (I) Authorizing the Debtors on an Interim Basis to (A) Obtain Senior Secured Non-Priming Superpriority Replacement Postpetition Financing and (B) Use Cash Collateral, (II) Authorizing the Debtors to Refinance Existing Postpetition Financing on a Final Basis, (III) Granting Liens and Providing Claims with Superpriority Administrative Expense Status, (IV) Granting Adequate Protection to the Prepetition Secured Parties on a Final Basis, (V) Modifying the Automatic Stay, (VI) Schedule a Final Hearing, and (VII) Granting Related Relief* (Docket No. 447) (the “**Interim Replacement DIP Order**”). As a result, debtor’s cash position during the month of February reflects the receipt of \$34.6 million in proceeds under the debtor in possession credit facility authorized by Interim Replacement DIP Order (the “**Replacement DIP Facility**”), and the disbursement of \$46.4 million to pay down outstanding amounts and the termination fee in connection with the original debtor in possession credit facility (the “**Initial DIP Facility**”) as authorized by the Interim Replacement DIP Order.

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9. **Part 3, Assets Sold or Transferred.** The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.

On February 1, 2023, the Bankruptcy Court entered the *Order (I) Authorizing and Approving Sale of Bitmain Coupons, Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Granting Related Relief* (Docket No. 429) (the "**Bitmain Sale Order**"). For more information on the sales made pursuant to the Bitmain Sale Order, please see MOR-4: Total Cash Sales Price for Assets Sold/Transferred Outside the Ordinary Course of Business.

10. **Part 5a, Professional Fees and Expenses.** For purposes of Part 5a of the MORs, and consistent with the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* (Docket No. 541) (the "**Interim Compensation Order**"), professional fees and expenses are considered approved if the applicable Monthly Statement (as defined in the Interim Compensation Order) has been served and the objection deadline relating to such Monthly Statement has expired prior to the last day of the applicable MOR period.
11. **Part 7 Questionnaire.** Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "**First Day Orders**"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

[illegible]

MOR-2: End of February 2023 Balance Sheet

<i>(US \$)</i>	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC	Elimination Co	Total ¹
ASSETS													
Cash and Equivalents	—	979,913	48,811,128	—	—	—	—	—	—	—	—	—	49,791,041
Restricted Cash	—	—	14,265,349	—	—	—	—	—	—	—	—	—	14,265,349
Total Cash	—	979,913	63,076,478	—	—	—	—	—	—	—	—	—	64,056,391
Accounts receivable, net of allowance	—	—	198,084	—	—	—	—	—	—	—	—	—	198,084
Accounts receivable from related parties	488,990,509	142,852,775	(487,796,434)	1,184,866	—	—	—	—	—	—	—	(145,203,028)	28,688
Deposits for equipment	—	—	14,200,704	—	—	—	—	—	—	—	—	—	14,200,704
Digital currency assets	—	81,454	952,018	—	—	—	—	—	—	—	—	—	1,033,472
Prepaid expenses and other	—	22,891,263	25,714,559	—	—	—	—	—	—	—	—	(22,882,354)	25,723,469
Total other current assets	1,806,192,910	(1,128,242,790)	(653,817,091)	12,734	—	—	—	—	—	—	—	—	24,145,763
Total Current Assets	2,295,183,419	(961,437,386)	(1,037,471,682)	1,197,600	—	—	—	—	—	—	—	(168,085,381)	129,386,570
Property, plant and equipment	—	63,747,014	617,580,021	—	—	—	—	—	—	—	—	(15,616,704)	665,710,332
Operating lease-right-of-use assets	—	—	20,099,114	—	—	—	—	—	—	—	—	—	20,099,114
Goodwill	—	232,587,379	(167,058,249)	(65,529,130)	—	—	—	—	—	—	—	—	0
Intangible assets, net	—	—	1,578,039	—	—	—	—	—	—	—	—	—	1,578,039
Other noncurrent assets	2,558,789	(0)	6,725,103	—	—	—	—	—	—	—	—	—	9,283,892
Total Assets	2,297,742,208	(665,102,992)	(558,547,653)	(64,331,531)	—	—	—	—	—	—	—	(183,702,085)	826,057,947
LIABILITIES, PREFERRED STOCK & EQUITY													
Accounts Payable	—	145,220,734	88,885,054	14,750	—	—	—	—	—	—	—	(145,203,028)	88,917,511
Accrued expenses and other	199,366	18,145,227	36,826,275	—	—	—	—	—	—	—	—	—	55,170,868
Deferred revenue	—	—	110,859,943	—	—	—	—	—	—	—	—	(38,770,551)	72,089,392
Derivative warrant liabilities	(900)	—	—	—	—	—	—	—	—	—	—	—	(900)
Operating lease liabilities, current portion	—	—	1,212,573	—	—	—	—	—	—	—	—	—	1,212,573
Financing lease liabilities, current portion	—	—	70,804,327	—	—	—	—	—	—	—	—	—	70,804,327
Long-term debt, current portion	—	—	880,936,991	—	—	—	—	—	—	—	—	—	880,936,991
Total current liabilities	198,466	163,365,962	1,189,525,164	14,750	—	—	—	—	—	—	—	(183,973,579)	1,169,130,762
Operating lease liabilities, net of current portion	—	—	14,082,877	—	—	—	—	—	—	—	—	—	14,082,877
Financing lease liabilities, net of current portion	—	—	—	—	—	—	—	—	—	—	—	—	—
Long-term debt, net of current portion	8,356,293	—	(8,356,293)	—	—	—	—	—	—	—	—	—	(0)
Other noncurrent liabilities	—	18,084,856	(15,497,086)	(2,587,769)	—	—	—	—	—	—	—	—	1
Total Liabilities	8,554,759	181,450,818	1,179,754,661	(2,573,019)	—	—	—	—	—	—	—	(183,973,579)	1,183,213,640
Pre-Petition Subject to Compromise	684,395,370	—	(684,395,370)	—	—	—	—	—	—	—	—	—	—
Total Pre-Petition Subject to Compromise	684,395,370	—	(684,395,370)	—	—	—	—	—	—	—	—	—	—
Post-Petition Short Term Liabilities	—	—	70,194,512	—	—	—	—	—	—	—	—	—	70,194,512
Post-Petition Long Term Liabilities	—	—	—	—	—	—	—	—	—	—	—	—	—
Preferred stock	—	—	—	—	—	—	—	—	—	—	—	—	—
Common stock	37,478	—	—	—	—	—	—	—	—	—	—	—	37,478
Additional paid-in capital	1,784,535,539	(15,979,141)	2,887,621	—	—	—	—	—	—	—	—	—	1,771,444,019
Accumulated deficit	(179,780,938)	(830,621,651)	(1,126,989,078)	(61,758,512)	—	—	—	—	—	—	—	318,476	(2,198,831,703)
Other Comprehensive Income	—	—	—	—	—	—	—	—	—	—	—	—	—
Cumulative Translation Adjustment	—	46,983	—	—	—	—	—	—	—	—	—	(46,983)	—
Total Equity	1,604,792,079	(846,553,810)	(1,124,101,457)	(61,758,512)	—	—	—	—	—	—	—	271,494	(427,350,206)
Total Liabilities, Preferred Stock & Equity	2,297,742,208	(665,102,992)	(558,547,653)	(64,331,531)	—	—	—	—	—	—	—	(183,702,085)	826,057,947

¹ The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Total Revenue (US \$)											
Hosting revenue from customers	—	—	5,572,292.84	—	—	—	—	—	—	—	—
Hosting revenue from related parties	—	—	1,150,524.29	—	—	—	—	—	—	—	—
Equipment sales to customers	—	—	—	—	—	—	—	—	—	—	—
Equipment sales to related parties	—	—	—	—	—	—	—	—	—	—	—
Digital asset mining income	—	2,541,229.01	29,230,494.63	—	—	—	—	—	—	—	—
Network services and defi revenue	—	—	—	—	—	—	—	—	—	—	—
Total Revenue	—	2,541,229.01	35,953,311.76	—	—	—	—	—	—	—	—
Cost of revenue	—	(3,349,178.14)	(48,048,910.31)	—	—	—	—	—	—	—	—
Gross Profit	—	(807,949.13)	(12,095,598.55)	—	—	—	—	—	—	—	—
Gain (loss) on legal settlements	—	—	—	—	—	—	—	—	—	—	—
Gain (loss) from sales of digital currency assets	—	32,769.05	349,306.85	—	—	—	—	—	—	—	—
Impairments of digital currency assets	—	(41,547.19)	(441,990.84)	—	—	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—	—	—	—	—	—
Impairment of property, plant and equipment	—	—	—	—	—	—	—	—	—	—	—
Losses on exchange or disposal of property, plant and equipment	—	—	—	—	—	—	—	—	—	—	—
Operating expenses:	—	—	—	—	—	—	—	—	—	—	—
Research and development	—	—	(474,219.20)	(6,500.00)	—	—	—	—	—	—	—
Sales and marketing	—	—	(263,204.87)	—	—	—	—	—	—	—	—
General and administrative	—	(6,471.35)	(5,383,112.09)	—	—	—	—	—	—	—	—
Advisor Fees	—	—	(10,871,543.89)	—	—	—	—	—	—	—	—
Total operating expenses	—	(6,471.35)	(16,992,080.05)	(6,500.00)	—	—	—	—	—	—	—
Operating Income (Loss)	—	(823,198.62)	(29,180,362.59)	(6,500.00)	—	—	—	—	—	—	—
Non-operating income (expense), net:	—	—	—	—	—	—	—	—	—	—	—
Loss on debt extinguishment	—	—	—	—	—	—	—	—	—	—	—
Interest expense, net	—	—	50,479.61	—	—	—	—	—	—	—	—
Other non-operating expenses, net	—	—	44,480,694.39	—	—	—	—	—	—	—	—
Reorganization items	—	—	(2,505,327.54)	—	—	—	—	—	—	—	—
Total Non-operating income (expense), net:	—	—	42,025,846.46	—	—	—	—	—	—	—	—
Income (loss) before income taxes	—	(823,198.62)	12,845,483.87	(6,500.00)	—	—	—	—	—	—	—
Income tax expense	—	—	—	—	—	—	—	—	—	—	—
Net Income (Loss)	—	(823,198.62)	12,845,483.87	(6,500.00)	—	—	—	—	—	—	—

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	Chapter 11
	§	
CORE SCIENTIFIC, INC., <i>et al.</i> ,	§	Case No. 22-90341 (DRJ)
	§	
Debtors. ¹	§	(Jointly Administered)

AMENDED FEBRUARY 2023 MONTHLY
OPERATING REPORT FOR RADAR RELAY, INC.²

-
- ¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.
- ² This document (the "**Amended MOR**") amends the *Debtor-In-Possession Monthly Operating Report for Filing Period Ending 2/28/2023* (Case No. 22-90344, Docket No. 11) (the "**Initial MOR**"). For a list of changes to the Amended MOR, please see Exhibit B to the Notice of Filing of Amended January and February 2023 MORs for Debtor Radar Relay, Inc., filed contemporaneously herewith.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON

In Re. Radar Relay, Inc.

§
§
§
§

Case No. 22-90344

Lead Case No. 22-90341

Debtor(s)

☒ Jointly Administered

Monthly Operating Report

Chapter 11

Reporting Period Ended: 02/28/2023

Petition Date: 12/21/2022

Months Pending: 2

Industry Classification: 3 3 4 1

Reporting Method:

Accrual Basis ☒

Cash Basis ☐

Debtor's Full-Time Employees (current):

0

Debtor's Full-Time Employees (as of date of order for relief):

0

Supporting Documentation (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- ☒ Statement of cash receipts and disbursements
- ☒ Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- ☒ Statement of operations (profit or loss statement)
- ☐ Accounts receivable aging
- ☐ Postpetition liabilities aging
- ☐ Statement of capital assets
- ☐ Schedule of payments to professionals
- ☐ Schedule of payments to insiders
- ☐ All bank statements and bank reconciliations for the reporting period
- ☐ Description of the assets sold or transferred and the terms of the sale or transfer

/s/ Alfredo R. Pérez

Signature of Responsible Party

Alfredo R. Pérez

Printed Name of Responsible Party

04/29/2023

Date

700 Louisiana Street, Suite 1700, Houston, Texas 77002

Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Part 1: Cash Receipts and Disbursements

	Current Month	Cumulative
a. Cash balance beginning of month	\$ 0	
b. Total receipts (net of transfers between accounts)	\$ 0	\$ 0
c. Total disbursements (net of transfers between accounts)	\$ 0	\$ 0
d. Cash balance end of month (a+b-c)	\$ 0	
e. Disbursements made by third party for the benefit of the estate	\$ 0	\$ 0
f. Total disbursements for quarterly fee calculation (c+e)	\$ 0	\$ 0

Part 2: Asset and Liability Status

(Not generally applicable to Individual Debtors. See Instructions.)

	Current Month
a. Accounts receivable (total net of allowance)	\$ 1,184,866
b. Accounts receivable over 90 days outstanding (net of allowance)	\$ 0
c. Inventory (Book <input checked="" type="checkbox"/> Market <input type="checkbox"/> Other <input type="checkbox"/> (attach explanation))	\$ 0
d. Total current assets	\$ 1,197,600
e. Total assets	\$-64,331,531
f. Postpetition payables (excluding taxes)	\$ 0
g. Postpetition payables past due (excluding taxes)	\$ 0
h. Postpetition taxes payable	\$ 0
i. Postpetition taxes past due	\$ 0
j. Total postpetition debt (f+h)	\$ 0
k. Prepetition secured debt	\$ 0
l. Prepetition priority debt	\$ 0
m. Prepetition unsecured debt	\$ 0
n. Total liabilities (debt) (j+k+l+m)	\$ 0
o. Ending equity/net worth (e-n)	\$-64,331,531

Part 3: Assets Sold or Transferred

	Current Month	Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$ 0	\$ 0
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$ 0	\$ 0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$ 0	\$ 0

Part 4: Income Statement (Statement of Operations)

(Not generally applicable to Individual Debtors. See Instructions.)

	Current Month	Cumulative
a. Gross income/sales (net of returns and allowances)	\$ 0	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$ 0	
c. Gross profit (a-b)	\$ 0	
d. Selling expenses	\$ 0	
e. General and administrative expenses	\$ 0	
f. Other expenses	\$ 6,500	
g. Depreciation and/or amortization (not included in 4b)	\$ 0	
h. Interest	\$ 0	
i. Taxes (local, state, and federal)	\$ 0	
j. Reorganization items	\$ 0	
k. Profit (loss)	\$ -6,500	\$ -41,836

Part 5: Professional Fees and Expenses			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
a.	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>					
	<i>Itemized Breakdown by Firm</i>					
		Firm Name	Role			
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b.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>					
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
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xc vi							
xc vii							
xc viii							
xc ix							
c							
c. All professional fees and expenses (debtor & committees)			\$	0	\$	0	\$ 0 \$ 0

Part 6: Postpetition Taxes

	Current Month	Cumulative
a. Postpetition income taxes accrued (local, state, and federal)	\$ 0	\$ 0
b. Postpetition income taxes paid (local, state, and federal)	\$ 0	\$ 0
c. Postpetition employer payroll taxes accrued	\$ 0	\$ 0
d. Postpetition employer payroll taxes paid	\$ 0	\$ 0
e. Postpetition property taxes paid	\$ 0	\$ 0
f. Postpetition other taxes accrued (local, state, and federal)	\$ 0	\$ 0
g. Postpetition other taxes paid (local, state, and federal)	\$ 0	\$ 0

Part 7: Questionnaire - During this reporting period:

a. Were any payments made on prepetition debt? (if yes, see Instructions)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
c. Were any payments made to or on behalf of insiders?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
d. Are you current on postpetition tax return filings?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
e. Are you current on postpetition estimated tax payments?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
f. Were all trust fund taxes remitted on a current basis?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
h. Were all payments made to or on behalf of professionals approved by the court?	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
i. Do you have: Worker's compensation insurance?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
If yes, are your premiums current?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> (if no, see Instructions)
Casualty/property insurance?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
If yes, are your premiums current?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> (if no, see Instructions)
General liability insurance?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
If yes, are your premiums current?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> (if no, see Instructions)
j. Has a plan of reorganization been filed with the court?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
k. Has a disclosure statement been filed with the court?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

Part 8: Individual Chapter 11 Debtors (Only)

a. Gross income (receipts) from salary and wages	\$	0
b. Gross income (receipts) from self-employment	\$	0
c. Gross income from all other sources	\$	0
d. Total income in the reporting period (a+b+c)	\$	0
e. Payroll deductions	\$	0
f. Self-employment related expenses	\$	0
g. Living expenses	\$	0
h. All other expenses	\$	0
i. Total expenses in the reporting period (e+f+g+h)	\$	0
j. Difference between total income and total expenses (d-i)	\$	0
k. List the total amount of all postpetition debts that are past due	\$	0
l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
m. If yes, have you made all Domestic Support Obligation payments?	Yes <input type="checkbox"/>	No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

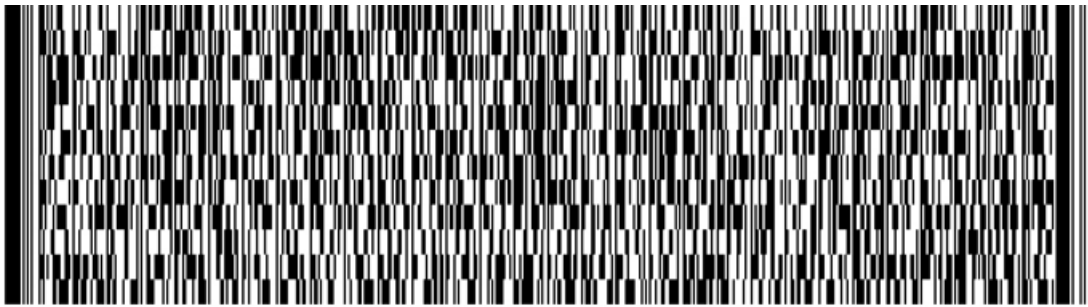
I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ Michael Bros
Signature of Responsible Party

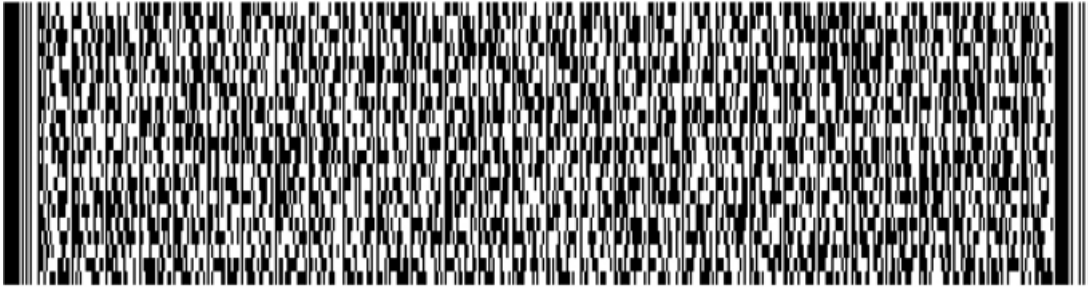
SVP, Capital Markets and Acquisitions
Title

Michael Bros
Printed Name of Responsible Party

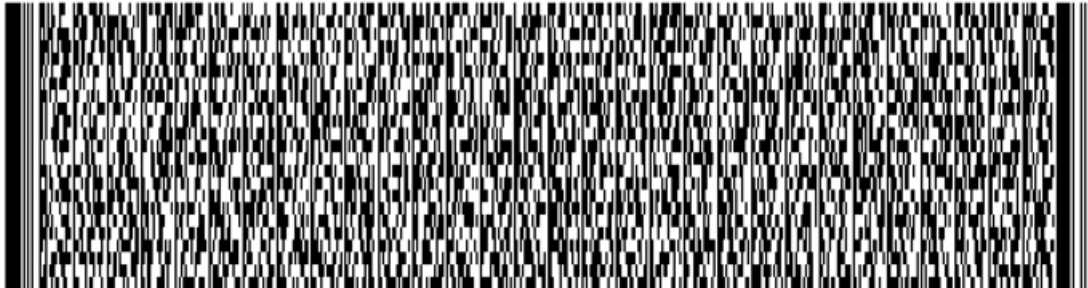
04/29/2023
Date



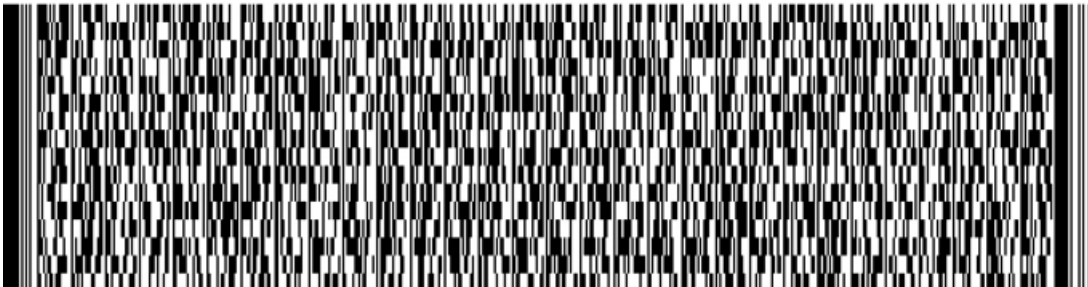
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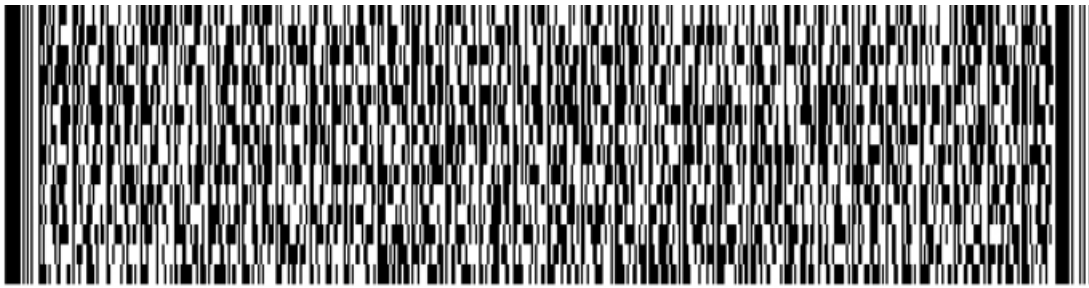
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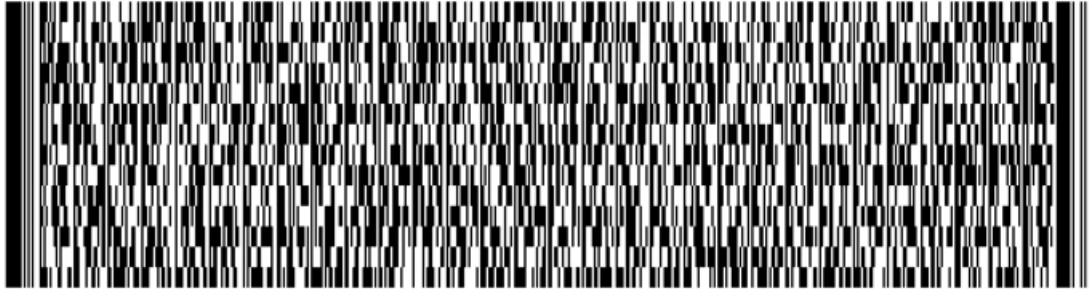
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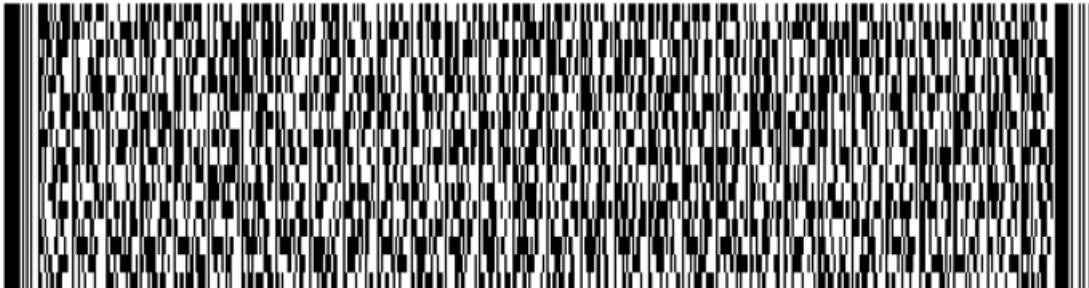
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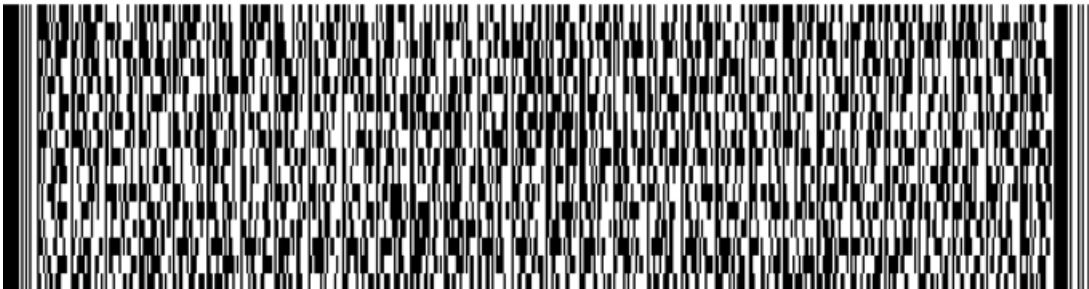
Bankruptcy1to50



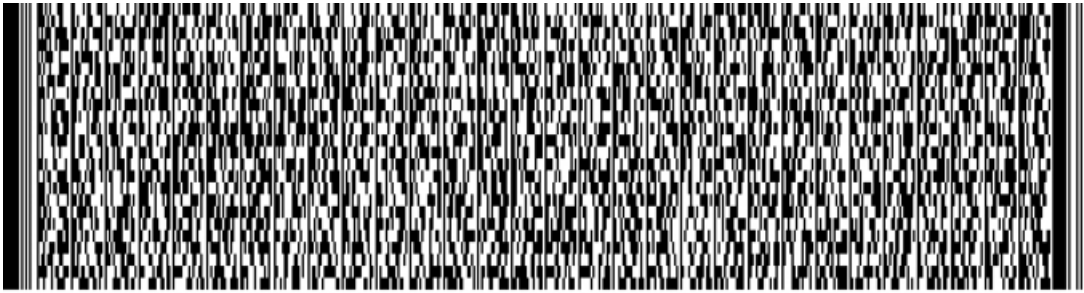
Bankruptcy51to100



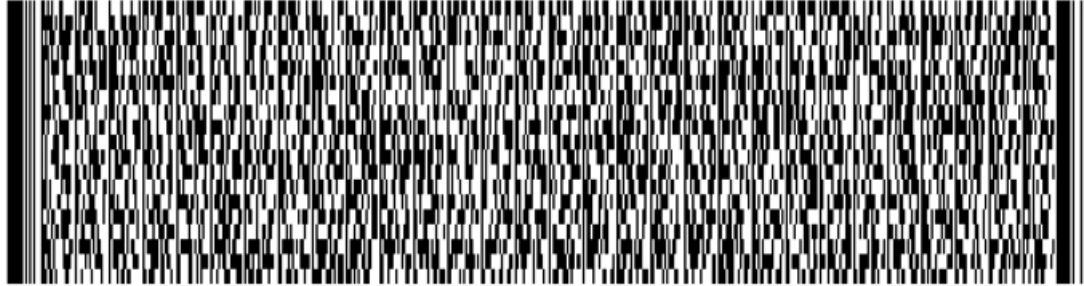
NonBankruptcy1to50



NonBankruptcy51to100



PageThree



PageFour

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	Chapter 11
	§	
CORE SCIENTIFIC, INC., <i>et al.</i> ,	§	Case No. 22-90341 (DRJ)
	§	
Debtors. ¹	§	(Jointly Administered)

MONTHLY OPERATING REPORT NOTES FOR FEBRUARY 2023

On December 21, 2022 (the “**Petition Date**”), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**” or the “**Company**”), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors’ chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the “**Local Rules**”). On January 9, 2023, the United States Trustee for Region 7 (the “**U.S. Trustee**”) appointed an official committee of unsecured creditors (the “**Creditors’ Committee**”) in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the “**Equity Committee**”) in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the “**MOR**”).

1. **Introduction.** This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States (“**GAAP**”), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors’ books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors’ corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on February 1, 2023 and ending February 28, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. **Reservation of Rights.** This MOR is limited in scope, covers the period beginning on February 1, 2023 and ending February 28, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. **Basis of Presentation.** Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of February 28, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning February 1, 2023 and ending February 28, 2023.

4. **Accounting Principles.** The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

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5. **Currency.** Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
 6. **Consolidated Entity Accounts Payable and Disbursement Systems.** Cash is received and disbursed by the Debtors as described in the *Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief* (Docket No. 12) (the “**Cash Management Motion**”) and the Debtors’ receipt and disbursement of cash is consistent with the Debtors’ historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
 7. **Supporting Documentation.** At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors’ bank statements or the Debtors’ books and records. For additional information on ending cash balances per the Debtors’ books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise (“**LSTC**”): LSTC represent the Debtors’ estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

Schedule of Asset Sales. This schedule provides the total cash sales price for assets sold/transferred outside the ordinary course of business for the period on page 1 of the MOR.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: recipient; date of payment or benefit provided; amount of cash payment or market value of non-cash payment; and reason for each payment made.

8. **Part 1, Cash Receipts and Disbursements.** Cumulative quarter-to-date for Q1 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through February 28, 2023 are \$104,060,073.

On February 2, 2023, the Bankruptcy Court entered the *Order (I) Authorizing the Debtors on an Interim Basis to (A) Obtain Senior Secured Non-Priming Superpriority Replacement Postpetition Financing and (B) Use Cash Collateral, (II) Authorizing the Debtors to Refinance Existing Postpetition Financing on a Final Basis, (III) Granting Liens and Providing Claims with Superpriority Administrative Expense Status, (IV) Granting Adequate Protection to the Prepetition Secured Parties on a Final Basis, (V) Modifying the Automatic Stay, (VI) Schedule a Final Hearing, and (VII) Granting Related Relief* (Docket No. 447) (the “**Interim Replacement DIP Order**”). As a result, debtor’s cash position during the month of February reflects the receipt of \$34.6 million in proceeds under the debtor in possession credit facility authorized by Interim Replacement DIP Order (the “**Replacement DIP Facility**”), and the disbursement of \$46.4 million to pay down outstanding amounts and the termination fee in connection with the original debtor in possession credit facility (the “**Initial DIP Facility**”) as authorized by the Interim Replacement DIP Order.

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9. **Part 3, Assets Sold or Transferred**. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.
- On February 1, 2023, the Bankruptcy Court entered the *Order (I) Authorizing and Approving Sale of Bitmain Coupons, Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Granting Related Relief* (Docket No. 429) (the "**Bitmain Sale Order**"). For more information on the sales made pursuant to the Bitmain Sale Order, please see MOR-4: Total Cash Sales Price for Assets Sold/Transferred Outside the Ordinary Course of Business.
10. **Part 5a, Professional Fees and Expenses**. For purposes of Part 5a of the MORs, and consistent with the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* (Docket No. 541) (the "**Interim Compensation Order**"), professional fees and expenses are considered approved if the applicable Monthly Statement (as defined in the Interim Compensation Order) has been served and the objection deadline relating to such Monthly Statement has expired prior to the last day of the applicable MOR period.
11. **Part 7 Questionnaire**. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "**First Day Orders**"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.
- All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

[illegible]

MOR-2: End of February 2023 Balance Sheet

<i>(US \$)</i>	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc.	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC	Elimination Co	Total ¹
ASSETS													
Cash and Equivalents	—	979,913	48,811,128	—	—	—	—	—	—	—	—	—	49,791,041
Restricted Cash	—	—	14,265,349	—	—	—	—	—	—	—	—	—	14,265,349
Total Cash	—	979,913	63,076,478	—	—	—	—	—	—	—	—	—	64,056,391
Accounts receivable, net of allowance	—	—	198,084	—	—	—	—	—	—	—	—	—	198,084
Accounts receivable from related parties	488,990,509	142,852,775	(487,796,434)	1,184,866	—	—	—	—	—	—	—	(145,203,028)	28,688
Deposits for equipment	—	—	14,200,704	—	—	—	—	—	—	—	—	—	14,200,704
Digital currency assets	—	81,454	952,018	—	—	—	—	—	—	—	—	—	1,033,472
Prepaid expenses and other	—	22,891,263	25,714,559	—	—	—	—	—	—	—	—	(22,882,354)	25,723,469
Total other current assets	1,806,192,910	(1,128,242,790)	(653,817,091)	12,734	—	—	—	—	—	—	—	—	24,145,763
Total Current Assets	2,295,183,419	(961,437,386)	(1,037,471,682)	1,197,600	—	—	—	—	—	—	—	(168,085,381)	129,386,570
Property, plant and equipment	—	63,747,014	617,580,021	—	—	—	—	—	—	—	—	(15,616,704)	665,710,332
Operating lease-right-of-use assets	—	—	20,099,114	—	—	—	—	—	—	—	—	—	20,099,114
Goodwill	—	232,587,379	(167,058,249)	(65,529,130)	—	—	—	—	—	—	—	—	0
Intangible assets, net	—	—	1,578,039	—	—	—	—	—	—	—	—	—	1,578,039
Other noncurrent assets	2,558,789	(0)	6,725,103	—	—	—	—	—	—	—	—	—	9,283,892
Total Assets	2,297,742,208	(665,102,992)	(558,547,653)	(64,331,531)	—	—	—	—	—	—	—	(183,702,085)	826,057,947
LIABILITIES, PREFERRED STOCK & EQUITY													
Accounts Payable	—	145,220,734	88,885,054	14,750	—	—	—	—	—	—	—	(145,203,028)	88,917,511
Accrued expenses and other	199,366	18,145,227	36,826,275	—	—	—	—	—	—	—	—	—	55,170,868
Deferred revenue	—	—	110,859,943	—	—	—	—	—	—	—	—	(38,770,551)	72,089,392
Derivative warrant liabilities	(900)	—	—	—	—	—	—	—	—	—	—	—	(900)
Operating lease liabilities, current portion	—	—	1,212,573	—	—	—	—	—	—	—	—	—	1,212,573
Financing lease liabilities, current portion	—	—	70,804,327	—	—	—	—	—	—	—	—	—	70,804,327
Long-term debt, current portion	—	—	880,936,991	—	—	—	—	—	—	—	—	—	880,936,991
Total current liabilities	198,466	163,365,962	1,189,525,164	14,750	—	—	—	—	—	—	—	(183,973,579)	1,169,130,762
Operating lease liabilities, net of current portion	—	—	14,082,877	—	—	—	—	—	—	—	—	—	14,082,877
Financing lease liabilities, net of current portion	—	—	—	—	—	—	—	—	—	—	—	—	—
Long-term debt, net of current portion	8,356,293	—	(8,356,293)	—	—	—	—	—	—	—	—	—	(0)
Other noncurrent liabilities	—	18,084,856	(15,497,086)	(2,587,769)	—	—	—	—	—	—	—	—	1
Total Liabilities	8,554,759	181,450,818	1,179,754,661	(2,573,019)	—	—	—	—	—	—	—	(183,973,579)	1,183,213,640
Pre-Petition Subject to Compromise	684,395,370	—	(684,395,370)	—	—	—	—	—	—	—	—	—	—
Total Pre-Petition Subject to Compromise	684,395,370	—	(684,395,370)	—	—	—	—	—	—	—	—	—	—
Post-Petition Short Term Liabilities	—	—	70,194,512	—	—	—	—	—	—	—	—	—	70,194,512
Post-Petition Long Term Liabilities	—	—	—	—	—	—	—	—	—	—	—	—	—
Preferred stock	—	—	—	—	—	—	—	—	—	—	—	—	—
Common stock	37,478	—	—	—	—	—	—	—	—	—	—	—	37,478
Additional paid-in capital	1,784,535,539	(15,979,141)	2,887,621	—	—	—	—	—	—	—	—	—	1,771,444,019
Accumulated deficit	(179,780,938)	(830,621,651)	(1,126,989,078)	(61,758,512)	—	—	—	—	—	—	—	318,476	(2,198,831,703)
Other Comprehensive Income	—	—	—	—	—	—	—	—	—	—	—	—	—
Cumulative Translation Adjustment	—	46,983	—	—	—	—	—	—	—	—	—	(46,983)	—
Total Equity	1,604,792,079	(846,553,810)	(1,124,101,457)	(61,758,512)	—	—	—	—	—	—	—	271,494	(427,350,206)
Total Liabilities, Preferred Stock & Equity	2,297,742,208	(665,102,992)	(558,547,653)	(64,331,531)	—	—	—	—	—	—	—	(183,702,085)	826,057,947

¹ The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc.	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Total Revenue (US \$)											
Hosting revenue from customers	—	—	5,572,292.84	—	—	—	—	—	—	—	—
Hosting revenue from related parties	—	—	1,150,524.29	—	—	—	—	—	—	—	—
Equipment sales to customers	—	—	—	—	—	—	—	—	—	—	—
Equipment sales to related parties	—	—	—	—	—	—	—	—	—	—	—
Digital asset mining income	—	2,541,229.01	29,230,494.63	—	—	—	—	—	—	—	—
Network services and defi revenue	—	—	—	—	—	—	—	—	—	—	—
Total Revenue	—	2,541,229.01	35,953,311.76	—	—	—	—	—	—	—	—
Cost of revenue	—	(3,349,178.14)	(48,048,910.31)	—	—	—	—	—	—	—	—
Gross Profit	—	(807,949.13)	(12,095,598.55)	—	—	—	—	—	—	—	—
Gain (loss) on legal settlements	—	—	—	—	—	—	—	—	—	—	—
Gain (loss) from sales of digital currency assets	—	32,769.05	349,306.85	—	—	—	—	—	—	—	—
Impairments of digital currency assets	—	(41,547.19)	(441,990.84)	—	—	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—	—	—	—	—	—
Impairment of property, plant and equipment	—	—	—	—	—	—	—	—	—	—	—
Losses on exchange or disposal of property, plant and equipment	—	—	—	—	—	—	—	—	—	—	—
Operating expenses:	—	—	—	—	—	—	—	—	—	—	—
Research and development	—	—	(474,219.20)	(6,500.00)	—	—	—	—	—	—	—
Sales and marketing	—	—	(263,204.87)	—	—	—	—	—	—	—	—
General and administrative	—	(6,471.35)	(5,383,112.09)	—	—	—	—	—	—	—	—
Advisor Fees	—	—	(10,871,543.89)	—	—	—	—	—	—	—	—
Total operating expenses	—	(6,471.35)	(16,992,080.05)	(6,500.00)	—	—	—	—	—	—	—
Operating Income (Loss)	—	(823,198.62)	(29,180,362.59)	(6,500.00)	—	—	—	—	—	—	—
Non-operating income (expense), net:	—	—	—	—	—	—	—	—	—	—	—
Loss on debt extinguishment	—	—	—	—	—	—	—	—	—	—	—
Interest expense, net	—	—	50,479.61	—	—	—	—	—	—	—	—
Other non-operating expenses, net	—	—	44,480,694.39	—	—	—	—	—	—	—	—
Reorganization items	—	—	(2,505,327.54)	—	—	—	—	—	—	—	—
Total Non-operating income (expense), net:	—	—	42,025,846.46	—	—	—	—	—	—	—	—
Income (loss) before income taxes	—	(823,198.62)	12,845,483.87	(6,500.00)	—	—	—	—	—	—	—
Income tax expense	—	—	—	—	—	—	—	—	—	—	—
Net Income (Loss)	—	(823,198.62)	12,845,483.87	(6,500.00)	—	—	—	—	—	—	—