

---

---

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

**FORM 8-K**

**CURRENT REPORT**  
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **April 8, 2022**

**Stronghold Digital Mining, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of incorporation)

**001-40931**  
(Commission File Number)

**86-2759890**  
(IRS Employer Identification No.)

**595 Madison Avenue, 28th Floor**  
**New York, New York**  
(Address of principal executive offices)

**10022**  
(Zip Code)

Registrant's telephone number, including area code: **(212) 967-5294**

**Not applicable**  
(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 Securities Exchange Act of 1934:**

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Class A common stock, par value \$0.0001 per share	SDIG	The Nasdaq Stock Market LLC

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

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.

---

---

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On April 14, 2022, Stronghold Digital Mining, Inc. (the “Company”) announced that Ricardo Larroudé, the Company’s Chief Financial Officer, is leaving the Company no later than May 15, 2022 (the last day of Mr. Larroudé’s employment is referred to herein as “Separation Date”). Mr. Larroudé’s departure does not relate to any disagreements between he and the Company relating to any financial reporting, accounting principles or practices of the Company.

On April 14, 2022, the Company and Mr. Larroudé entered into a Transition and Separation Agreement and General Release of Claims (the “Separation Agreement”) whereby, subject to the terms of the Separation Agreement, Mr. Larroudé is eligible to receive: a cash payment of \$129,330 plus unused vacation days as of the Separation Date, 92,975 shares of fully vested common stock, full vesting of all outstanding Company options, and reimbursement of the Company’s portion of COBRA premiums for twelve months following the Separation Date, as well as waiver of certain non-competition and non-solicitation terms. The Separation Agreement also includes release, non-disparagement, and continued cooperation provisions. Mr. Larroudé will receive his current salary and benefits through the Separation Date.

The foregoing description of the Separation Agreement is qualified in its entirety by reference to the Separation Agreement, including exhibits thereto, a copy of which will be filed as an exhibit to a subsequent Company filing.

On April 14, 2022, the Company’s Board of Directors (the “Board”) appointed Matthew Smith, 44, to succeed Mr. Larroudé, effective April 18, 2022 (the “Effective Date”). Mr. Smith will join the Company as Chief Financial Officer. As such, Mr. Smith will be the Company’s principal financial officer and principal accounting officer as of the Effective Date.

Mr. Smith has served as a member of the Company’s Board since November 2021. He served as the Founder and Managing Partner of Deep Basin Capital LP since January 2017. Mr. Smith has over 16 years of investment management experience in the energy, renewable, power and utility sectors across both public and private investments, including the roles of portfolio manager at Citadel’s Surveyor Capital Ltd. from June 2010 through January 2016, senior analyst in the energy and other cyclical sectors for Highfields Capital Management LP from January 2009 to December 2009 and Copper Arch Capital LLC from July 2005 to December 2007 and as a financial analyst at Equity Office Properties Trust from August 2001 to May 2003. Mr. Smith is a CFA Charterholder. Mr. Smith previously served as an independent director and audit committee member on the board of Spartan Acquisition Corp III (NYSE: SPAQ), a role that he held from May 2021 to March 2022. He holds a M.S. in Finance from the University of Wisconsin-Madison’s Applied Security Analysis Program (ASAP) and a B.B.A. from the University of Iowa Tippie College of Business. In connection with his appointment as Chief Financial Officer, Mr. Smith has resigned as a member and the Chairperson of both the Audit and Compensation Committees of the Company.

---

Mr. Smith executed an offer letter (the "Offer Letter") on April 14, 2022 under which the initial terms of Mr. Smith's annual compensation will be:

- an annual salary of \$300,000;
- an annual cash bonus opportunity of up to \$300,000;
- an initial equity award of 200,000 restricted stock units, vesting in equal amounts each month over three years;
- an initial equity award of 200,000 performance stock units, vesting in equal amounts each quarter over three years which may be settled into shares of common stock in an amount of zero to three times the number of performance stock units granted based on extent to which certain financial metrics set forth in the Offer Letter are achieved; and
- an annual equity award grant, subject to the approval of the Company's Compensation Committee, in a mix of stock options, restricted stock, restricted stock units ("RSUs") and/or performance stock units consistent with those granted to other executive officer equity participants.

If Mr. Smith is terminated without Cause or for Good Reason, as each is defined in the Offer Letter, within 18 months of the Effective Date, Mr. Smith is eligible to receive the sum of one year's salary, a pro rata share of his annual bonus, reimbursement for of the cost of COBRA premiums for one year, and additional vesting of his RSU's as set forth in the Offer Letter, subject to the execution and non-revocation of a general release of claims.

If Mr. Smith is terminated without Cause or for Good Reason within 60 days following a change in control that is consummated within 18 months following the Effective Date, Mr. Smith is eligible to receive to the sum of one year's salary, one times the annual bonus for the year of termination plus any earned but not paid bonus for prior year, a lump sum amount equal to of the cost of COBRA premiums for 18 months, and accelerated vesting of 50% of the unvested RSU's, subject to the execution and non-revocation of a general release of claims.

Mr. Smith will also be eligible to receive benefits and perquisites, consistent with those other executive officers are eligible to receive, including life and health insurance benefits, and participation in a qualified 401(k) savings plan. Mr. Smith recused himself from Compensation Committee discussions about his salary and benefits.

The foregoing description of the Offer Letter is qualified in its entirety by reference to the Offer Letter, including exhibits thereto, a copy of which will be filed as an exhibit to a subsequent Company filing.

Effective immediately, Sarah James will serve as Chairperson of the Audit Committee. The Board of the Company determined that Ms. James qualifies as an "audit committee financial expert" as defined in Item 407 of Regulation S-K and meets the independence criteria of both Nasdaq and the U.S. Securities and Exchange Commission. However, the Board determined that Ms. James does not satisfy the heightened independence standards applicable to the Audit Committee.

#### **Item 7.01 Regulation FD Disclosure.**

A copy of the press release announcing the management and Board changes is furnished herewith as Exhibit 99.1 and is incorporated into this Item 7.01 by reference.

In accordance with General Instruction B.2 of Form 8-K, the information furnished pursuant to this Item 7.01 in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

#### **Item 9.01 Financial Statements and Exhibits.**

- (d) Exhibits.
-

Exhibit Number	Description
99.1*	<a href="#">Press Release dated April 14, 2022.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

---

\* Furnished herewith.

---

**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.

**STRONGHOLD DIGITAL MINING, INC.**

By: /s/ Gregory A. Beard

Name: Gregory A. Beard

Title: Chief Executive Officer and Co-Chairman

Date: April 14, 2022



## Stronghold Digital Mining Appoints Matthew J. Smith as Chief Financial Officer

**NEW YORK, April 14, 2022** – **Stronghold Digital Mining, Inc. (NASDAQ: SDIG)** (“Stronghold”, or the “Company”) today announced the appointment of Matthew Smith to the position of chief financial officer, effective April 18, 2022, succeeding Ricardo Larroudé, who is leaving the Company to pursue other business interests. He will remain with Stronghold through May 15, 2022 to ensure a seamless transition. Mr. Larroudé’s departure does not relate to any disagreements between him and the Company relating to any financial reporting, accounting principles or practices of Stronghold. The Company thanks Mr. Larroudé for his devotion to, and services on behalf of, the Company, as he was instrumental to Stronghold’s growth in the past year, and the Company wishes him the best in his future endeavors.

Mr. Smith currently serves on the Board of Directors for Stronghold and is the chairperson of both the Audit and Compensation Committees. While he will remain on the Board, Mr. Smith will resign as a member of both Committees. The Company is in active later-stage discussions with multiple qualified independent candidates to add to the Board of Directors and the Audit Committee and expects to make a subsequent announcement when a new member is appointed in the near future. In the interim, Sarah P. James will serve as chair of the Audit Committee.

Mr. Smith has deep financial experience in the energy, renewable, power and utility sectors, including more than 16 years in the investment management industry. He most recently was the managing partner of Deep Basin Capital, an energy-focused hedge fund, which he founded in January 2017. Prior to Deep Basin Capital, Mr. Smith was a Portfolio Manager at Citadel’s Surveyor Capital Ltd. Mr. Smith is a CFA Charterholder and holds an M.S. in Finance from Wisconsin-Madison’s Applied Security Analysis Program (ASAP) and a B.B.A. from the University of Iowa Tippie College of Business. He also previously served as an independent director and audit committee member on the Board of Spartan Acquisition Corp. III from May 2021 until closing a business combination with Allego Holding B.V. in March 2022.

“Matt has an impressive financial background and understanding of the broader energy, power and utility sectors, which was a key determinant in having him join our Board shortly after our IPO,” said Greg Beard, co-chairman and chief executive officer of Stronghold. “His deeply analytical mindset along with capital markets and portfolio management experience are welcomed additions to the Stronghold executive team.”

Smith commented: “Since joining the Board of Stronghold last November, I have been continually impressed with the talent of the growing team and the dedication to creating a leading vertically integrated, low-cost, environmentally beneficial Bitcoin miner. I look forward to quickly integrating into the CFO role, to ensure a seamless transition, and executing on our objective to create shareholder value.”

### **About Stronghold Digital Mining, Inc.**

Stronghold is a vertically integrated Bitcoin mining company with an emphasis on environmentally beneficial operations. Stronghold houses its miners at its wholly owned and operated Scrubgrass Plant and Panther Creek Plant, both of which are low-cost, environmentally beneficial coal refuse power generation facilities in Pennsylvania.

**Investor Contact:**

Matt Glover or Jeff Grampp, CFA  
Gateway Group, Inc.  
[SDIG@GatewayIR.com](mailto:SDIG@GatewayIR.com)  
[1-949-574-3860](tel:1-949-574-3860)

**Media Contact:**

[contact@strongholddigitalmining.com](mailto:contact@strongholddigitalmining.com)