



Marathon Digital Holdings Announces Bitcoin Production and Mining Operation Updates for August 2023

- Secured Miners for 5 EH/s Additional Hash Rate

- Produced 1,072 BTC in August 2023 and 7,368 BTC Year-To-Date

- Combined Unrestricted Cash and Bitcoin Was \$445 Million as of August 31, 2023

Fort Lauderdale, FL , Sept. 05, 2023 (GLOBE NEWSWIRE) -- [Marathon Digital Holdings, Inc. \(NASDAQ:MARA\)](#) ("Marathon" or "Company"), a leader in supporting and securing the Bitcoin ecosystem, today published unaudited bitcoin ("BTC") production and miner installation updates for August 2023.

Management Commentary

"We produced 1,072 bitcoin in August, which is a 9% decrease from last month and a more than fivefold increase from August of last year," said Fred Thiel, Marathon's chairman and CEO. "The decrease in bitcoin production from July was largely due to increased curtailment activity in Texas due to record high temperatures. These temporary shutdowns more than offset the progress we have made to increase our operational hash rate and optimize our operations.

"In August, we increased our U.S. operational hash rate 2% month-over-month to 19.1 exahashes, and we increased our installed hash rate 1% month-over-month to 23.1 exahashes. The sequential increase is primarily due to swapping BITMAIN S19 J Pro miners for more efficient S19 XPs. We are still waiting for the facility in Garden City, Texas to come online as Applied Digital and the utility provider are still finalizing paperwork. Based on the latest updates, we continue to believe energization is imminent.

"We also saw continued progress at our joint venture in Abu Dhabi which began hashing in July and mined 50 bitcoin in August of which approximately 10 bitcoin is our share. The JV's operational hash rate grew to 1.5 exahashes, and we continue to expect the project's full 7.0 exahashes to be online before year-end 2023.

"During August, we reached our primary domestic growth target of 23 exahashes on an installed basis. As we look to our next growth target, I am pleased to announce that we have secured miners in the ordinary course of business for the next 5 exahashes of hash rate growth. With 23 exahashes installed domestically, two exahashes planned internationally, and an additional five exahashes of capacity contracted for, Marathon's total anticipated hash rate, once fully deployed, is now 30 exahashes."

Operational Highlights and Updates

Figure 1: U.S. Operational Highlights

Metric	8/31/2023	8/31/2022	% Δ	8/31/2023	7/31/2023	% Δ
Bitcoin Produced - U.S. Only	1,062	184.1	477%	1,062	1,176	-10%
Average Bitcoin Produced per Day	34.3	5.9	477%	34.3	37.9	-10%
Operational/Energized Hash Rate (EH/s)¹	19.1	0.6	2884%	19.1	18.8	2%
Average Operational Hash Rate (EH/s) ²	13.2	NA		13.2	14.0	-6%
Installed Hash Rate (EH/s)³	23.1	0.6	3509%	23.1	22.8	1%

1. Defined as the amount of hash rate that could theoretically be generated if all miners that have been energized are currently in operation (includes miners that are temporarily offline for maintenance or similar reasons). Hash rates are estimates based on the manufacturers' specifications. All figures are rounded.

2. Defined as the average hash rate that was actually generated during the month from all operational miners. All figures are estimates and are rounded.

3. Defined as the sum of energized hash rate (see above) and hash rate that has been installed but is not yet energized (e.g., miners are in containers but not energized). Hash rates are estimates based on the manufacturers' specifications. All figures are rounded.

With the majority of Marathon's U.S. fleet now powered by S19 XPs, the Company's average fleet efficiency, based on manufacturers' specifications, improved from 25.3 J/TH (joules per terahash) last month to 25.2 J/TH as of August 1, 2023. Once fully deployed, Marathon's U.S. fleet efficiency is expected to be approximately 24.2 J/TH, according to the manufacturers' specifications.

Financial Highlights and Updates

Figure 2: Financial Highlights

Metric	Year-Over-Year Comparison			Prior Month Comparison		
	8/31/2023	8/31/2022	% Δ	8/31/2023	7/31/2023	% Δ
Total Cash, Cash Equivalents, & Restricted Cash (\$, in millions)	111.2	80.3	38%	111.2	129.4	-14%
Unrestricted Cash	105.5	71.5	48%	105.5	115.1	-8%
Restricted Cash	5.7	8.8	-35%	5.7	14.3	-60%
Total BTC Holdings (in whole numbers)	13,286	10,311	29%	13,286	12,964	2%
Unrestricted BTC Holdings	13,111	6,483	102%	13,111	12,964	1%
Restricted BTC Holdings	175	3,828	-95%	175	0	NA

As of August 31, Marathon holds a total of 13,286 BTC, of which 13,111 BTC are unrestricted. The Company opted to sell 750 BTC during the month of August and intends to sell a portion of its bitcoin holdings in future periods to support monthly operations, manage its treasury, and for general corporate purposes. Marathon occasionally uses a portion of bitcoin for various treasury activities. As of August 31, 2023, 175 BTC were restricted, which was not related to collateralization for borrowing. The Company ended the month with \$111.2 million in cash and cash equivalents on its balance sheet of which \$105.5 million was unrestricted. The combined balance of unrestricted cash and cash equivalents and bitcoin increased from \$201.5 million to \$445.5 million at August 31, 2023 when compared to the same period last year.

Investor Notice

Investing in our securities involves a high degree of risk. Before making an investment decision, you should carefully consider the risks, uncertainties and forward-looking statements described under "Risk Factors" in Item 1A of our most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed with the SEC on March 16,

2023. If any of these risks were to occur, our business, financial condition or results of operations would likely suffer. In that event, the value of our securities could decline, and you could lose part or all of your investment. The risks and uncertainties we describe are not the only ones facing us. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. In addition, our past financial performance may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results in the future. Future changes in the network-wide mining difficulty rate or Bitcoin hash rate may also materially affect the future performance of Marathon's production of bitcoin. Additionally, all discussions of financial metrics assume mining difficulty rates as of September 2023. See "Forward-Looking Statements" below.

Forward-Looking Statements

Statements made in this press release include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements can be identified by the use of words such as "may," "will," "plan," "should," "expect," "anticipate," "estimate," "continue," or comparable terminology. Such forward-looking statements are inherently subject to certain risks, trends and uncertainties, many of which the Company cannot predict with accuracy and some of which the Company might not even anticipate and involve factors that may cause actual results to differ materially from those projected or suggested. Readers are cautioned not to place undue reliance on these forward-looking statements and are advised to consider the factors listed above together with the additional factors under the heading "Risk Factors" in the Company's Annual Reports on Form 10-K, as may be supplemented or amended by the Company's Quarterly Reports on Form 10-Q. The Company assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events, new information or otherwise.

About Marathon Digital Holdings

Marathon is a digital asset technology company that focuses on supporting and securing the Bitcoin ecosystem. The Company is currently in the process of becoming one of the largest and most sustainably powered Bitcoin mining operations in North America.

For more information, visit www.mara.com, or follow us on:

Twitter: @MarathonDH

LinkedIn: www.linkedin.com/company/marathon-digital-holdings

Facebook: www.facebook.com/MarathonDigitalHoldings

Instagram: @marathondigitalholdings

Marathon Digital Holdings Company Contact:

Telephone: 800-804-1690

Email: ir@mara.com

Marathon Digital Holdings Media Contact:

Email: marathon@wachsman.com



Source: Marathon Digital Holdings Inc.