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Marathon Digital Holdings Announces Bitcoin Production and Mining Operation Updates for August 2022

Approximately 25,000 Miners (c. 2.5 EH/s) Are Energized in August as Bitcoin Production Improves to 184 BTC

LAS VEGAS, Sept. 06, 2022 (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 2022.

Management Commentary
"In August, we continued to install and energize miners with our hosting providers, increasing our hash rate and steadily improving our bitcoin production," said Fred Thiel, Marathon's chairman and CEO. "During the month, approximately 25,000 of our previously installed miners were successfully energized, increasing our hash rate back to approximately 3.2 exahashes per second with our operating mining fleet consisting of approximately 34,000 miners as of August 31. As a result, we produced 184 BTC in August.

"Our hosting providers have continued to install miners at multiple locations. Based on their latest reports, we expect to have approximately 65,000 additional miners, or approximately 6.9 exahashes per second of capacity, brought online at multiple facilities over the next 90 days. With installations and construction of new facilities progressing, these operational advances provide us with confidence that we are on pace to reach our primary target of approximately 23 exahashes per second of capacity near the middle of 2023, at which point, Marathon's operations are expected to be not only among the largest, but among the most energy efficient on a per terahash basis."

August 2022 and Recent Highlights

- Operating mining fleet consists of approximately 34,000 active miners, producing approximately 3.2 EH/s, after approximately 25,000 miners (c. 2.5 EH/s) are successfully energized in August
- Approximately 65,000 additional miners (c. 6.9 EH/s) are expected to be energized over the next 90 days
- Produced 184 bitcoin in August 2022; year-to-date through August 31, 2022, produced 2,222 bitcoin, a 26% increase over the same time period in the prior year
- Benefitted from a downward market price adjustment for the S19 XPs set to ship in September; benefits from price adjustments expected to continue as additional XPs are shipped in the October – December timeframe
- Total bitcoin holdings increased to 10,311 BTC with a fair market value of $206.7

million as of August 31, 2022
- Unrestricted bitcoin holdings were approximately 6,483 BTC with a fair market value of approximately $130.0 million
- Unrestricted cash on hand was approximately $71.4 million at August 31, 2022
- Previously announced exit from Hardin, MT facility along with the resales and/or redeployments of Hardin miners are expected to be completed by the end of September

Miner Energization and Installations Updates
In August, approximately 25,000 of Marathon's previously installed miners, representing approximately 2.5 EH/s, were successfully energized and brought online. As a result, the Company's hash rate increased to approximately 3.2 EH/s as of August 31, 2022.

Based on current construction and installation schedules provided to the Company by its hosting providers, Marathon currently expects for approximately 65,000 additional miners, or approximately 6.9 EH/s of capacity, to be brought online over the next 90 days. Additionally, based on these reports, the Company continues to expect to have enough miners installed to generate approximately 23 EH/s near the middle of fiscal year 2023.

Once all of Marathon's previously purchased miners are installed, approximately 66% of the Company's hash rate is expected to be generated by S19 XPs, which are approximately 30% more energy efficient than the prior generation. As a result, once fully operational, Marathon's Bitcoin mining operations are currently expected to be among the largest and most energy efficient on a per terahash basis.

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, 2021, filed with the SEC on March 10, 2022. 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 2022. 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, while remaining asset light.

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Source: Marathon Digital Holdings, Inc.