March 2, 2023

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

- Increased Hash Rate 30% by Energizing Approximately 18,800 Bitcoin Miners (c. 2.2 EH/s) in February 2023

- Produced 683 BTC in February 2023 and 1,370 BTC Quarter-To-Date

- Increased Unrestricted Cash to $219.7 Million and Increased Unrestricted Bitcoin Holdings to 8,260 BTC (c. $191.2 million)

FORT LAUDERDALE, Fla., March 02, 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 February 2023.

Management Commentary

"We successfully energized nearly 19,000 Bitcoin miners across multiple facilities in February, with over 8,000 of these units consisting of S19 XPs," said Fred Thiel, Marathon's chairman and CEO. "During the month, we increased our hash rate to 9.5 exahashes, a 30% increase from the prior month. We also increased our average bitcoin produced per day by 10% compared to January, producing 683 bitcoin in February.

"We opted to sell 650 bitcoin this month to offset operating expenses and for general corporate purposes. Even with these sales, we increased our unrestricted bitcoin holdings from 8,090 bitcoin as of January 31, 2023, to 8,260 bitcoin, valued at $191.2 million as of February 28, 2023. Additionally, we increased our unrestricted cash on hand to $219.7 million.

"To continue advancing our operations and improve efficiency, our primary focus this year is to energize more miners and to optimize our fleet's performance. We remain confident in our ability to scale Marathon into one of the largest and most energy efficient Bitcoin mining operations globally by installing approximately 23 exahashes of computing power near the middle of 2023."

Operational Highlights and Updates

Figure 1: Operational Highlights

	Year-Over-Year Comparison			Prior Month Comparison		
Metric	**2/28/2023**	**2/28/2022**	**% Δ**	**2/28/2023**	**1/31/2023**	**% Δ**
BTC Produced	683	360	90%	683	687	-1%

Avg. BTC Produced per Day	24.4	12.9	90%	24.4	22.1	10%
Operational/Energized Hash Rate (EH/s)[1]	9.5	3.8	150%	9.5	7.3	30%
Installed Hash Rate (EH/s)[2]	14.0	NA	NA	14.0	11.0	27%

1. Defined as the amount of hash rate that could theoretically be generated if all mining servers that have been operational/energized are currently in operation (includes mining servers 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 sum of operational/energized hash rate (see above) and hash rate that has been installed but is not yet energized (e.g., mining servers are in containers but not energized). Hash rates are estimates based on the manufacturers' specifications. All figures are rounded.

In February, approximately 18,800 of Marathon's Bitcoin miners (c. 2.2 EH/s) were energized across multiple sites, including 3,900 S19 XPs (c. 0.5 EH/s) in Granbury, TX (Wolf Hollow) and 3,800 S19 XPs (c. 0.5 EH/s) in Jamestown, ND. As a result, the Company's operating fleet increased to approximately 90,000 Bitcoin miners, theoretically capable of producing approximately 9.5 EH/s, according to the manufacturer's specifications, as of March 1, 2023.

During February, the installation of Marathon's miners at Applied Digital's facility in Garden City, TX, was fully completed. In addition, approximately 4,100 of Marathon's S19 XPs were installed at Applied Digital's facility in Ellendale, ND, during the month.

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 of mining rigs. The Company still expects to have approximately 23 EH/s of capacity installed near the middle of 2023.

Financial Highlights and Updates

Figure 3: Financial Highlights

	Year-Over-Year Comparison			Prior Month Comparison		
Metric	**2/28/2023**	**2/28/2022**	**% Δ**	**2/28/2023**	**1/31/2023**	**% Δ**
Total Cash, Cash Equivalents, & Restricted Cash ($, in millions)	228.5	106.4	115%	228.5	142.6	60%
Unrestricted Cash	219.7	106.4	107%	219.7	133.8	64%
Restricted Cash	8.8	0.0	NA	8.8	8.8	0%
Total BTC Holdings (in whole numbers)	11,392	8,956	27%	11,392	11,418	-0%
Unrestricted BTC Holdings	8,260	8,956	-8%	8,260	8,090	2%
Restricted BTC Holdings	3,132	0	NA	3,132	3,328	-6%

In February, the Company opted to sell 650 BTC, and as a result, Marathon holds a total of 11,392 BTC, of which approximately 8,260 BTC (c. $191.2 million) are unrestricted as of February 28, 2023. As previously indicated in prior press releases, Marathon may continue to sell a portion of its bitcoin holdings in future periods to support monthly operations, manage its treasury, or for general corporate purposes. The Company ended the month with $219.7 million in unrestricted cash on hand.

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 March 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.

Marathon Digital Holdings Company Contact:
Telephone: 800-804-1690
Email: ir@mara.com

MARATHON DIGITAL HOLDINGS

Source: Marathon Digital Holdings, Inc.