July 5, 2023

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

- Produced 979 BTC in June 2023 and 5,120 BTC Year-To-Date

- Increased Operational Hash Rate 16% to 17.7 EH/s and Installed Hash Rate 8% to 21.8 EH/s in June 2023

- JV in Abu Dhabi Began Mining Operations, on Track for 7 EH/s by Year End

- Reported Unrestricted Cash and Cash Equivalents of $114 Million and Increased Unrestricted Bitcoin Holdings to 12,538 BTC (c. $382 Million) as of June 30, 2023

FORT LAUDERDALE, Fla., July 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 June 2023.

Management Commentary

"We produced 979 bitcoin in June, down 21% from last month and up 599% from June 2022," said Fred Thiel Marathon's chairman and CEO. "The decreased production relative to last month was due to weather-related curtailment in Texas and a significant decrease in transaction fees, which fell to approximately 5.1% of the total bitcoin we earned in June compared to 11.8% in May. The emergence of Ordinals significantly increased transaction fees in May, and while network congestion eased in June, we view recent trends as a positive sign for the future of mining economics.

"In June, we increased our operational hash rate 16% month-over-month to 17.7 exahashes, and we increased our installed hash rate 8% month-over-month to 21.8 exahashes. The final steps to achieving our 23 EH/s goal are in Ellendale, ND and Garden City, TX. The final building in Ellendale is expected to come online this month, and final Garden City tie in is also expected within that same period.

"In addition, we are also excited to announce that our new joint venture in Abu Dhabi began hashing earlier this week as the first containers in our Mina Zayed facility powered up. The speed of execution from ideation to production is a testament to Marathon's significant technology expertise and our growing team of mining professionals. Our UAE partners at Zero Two have quickly brought our combined vision to reality, and we continue to expect the full 7.0 exahashes to be online before year end 2023. Note despite this progress, the reported operational hash rate of 21.8 exahashes and 23 exahash guidance remain exclusive of the JV."

Operational Highlights and Updates

Figure 1: Operational Highlights

	Year-Over-Year Comparison			Prior Month Comparison		
Metric	**6/30/2023**	**6/30/2022**	**% Δ**	**6/30/2023**	**5/31/2023**	**% Δ**
BTC Produced	979	140	599%	979	1,245	-21%
Avg. BTC Produced per Day	32.6	4.7	599%	32.6	40.2	-19%
Operational/Energized Hash Rate (EH/s)[1]	17.7	0.7	2429%	17.7	15.2	16%
Installed Hash Rate (EH/s)[2]	21.8	3.6	506%	21.8	20.1	8%

1. Defined as the amount of hash rate that could theoretically be generated if all mining servers that have been 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 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 June, approximately 18,500 of Marathon's Bitcoin miners (c. 2.5 EH/s) were energized at Applied Digital's facilities in Ellendale, North Dakota. This growth was partially offset by 3,000 older generation miners being removed from service upon the expiration of a hosting agreement in Ohio.

As a result, the Company's operating fleet increased to approximately 149,900 Bitcoin miners, theoretically capable of producing approximately 17.7 EH/s, according to the manufacturer's specifications, as of July 1, 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 of mining rigs.

Financial Highlights and Updates

Figure 2: Financial Highlights

	Year-Over-Year Comparison			Prior Month Comparison		
Metric	**6/30/2023**	**6/30/2022**	**% Δ**	**6/30/2023**	**5/31/2023**	**% Δ**
Total Cash, Cash Equivalents, & Restricted Cash ($, in millions)	113.7	89.2	27%	113.7	97.3	17%
Unrestricted Cash	113.7	86.0	32%	113.7	97.3	17%
Restricted Cash	0.0	3.2	-100%	0.0	0.0	NA
Total BTC Holdings (in whole numbers)	12,538	10,055	25%	12,538	12,259	2%
Unrestricted BTC Holdings	12,538	7,234	73%	12,538	12,259	2%
Restricted BTC Holdings	0	2,820	-100%	0	0	NA

As of July 1, Marathon holds a total of 12,538 BTC, all of which are unrestricted. The Company opted to sell 700 BTC during the month of June 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. The Company ended the month with $113.7 million in unrestricted cash and cash equivalents on its balance sheet.

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 June 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:

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