November 3, 2023

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

- Produced 1,202 BTC in October 2023 and 9,812 BTC Year-to-Date

- Garden City Energization Underway; Full 4.1 EH/s Expected by November Month-End

- Combined Unrestricted Cash and Bitcoin Was $620 Million as of October 31, 2023

Fort Lauderdale, FL, Nov. 03, 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 October 2023.

Management Commentary

"In October, we increased our energized hash rate 1% to 19.2 exahashes as the facility in Garden City, Texas, where we have 4.1 exahashes of miners installed, began to come online," said Fred Thiel, Marathon's chairman and CEO. "Once this facility is fully operational later this month, we will have surpassed our 23 exahash target and solidified Marathon as the largest publicly traded Bitcoin miner in North America.

"By increasing our hash rate and continuing to improve our operations at the facility in McCamey, Texas and elsewhere, we earned 4.0% of the total Bitcoin network's available miner rewards and produced 1,202 bitcoin in October. This total includes 18 bitcoin from our 20% share of the JV in Abu Dhabi. We now have 2.3 exahashes online in Abu Dhabi as our second, larger facility in Masdar City has begun powering up. We continue to expect the full 7.0 exahashes in the UAE to be online by year-end.

"We have also been exploring new methods of mining that we believe may allow us to further diversify our operations, reduce our energy costs, and increase our sustainable energy mix. We recently announced a pilot project in Utah that is exclusively powered by landfill methane gas. Naturally produced methane is often stranded, and Bitcoin miners like Marathon are uniquely positioned to help capture and convert this environmentally harmful gas into clean, renewable energy. We look forward to sharing more of the many innovative mining projects that we are exploring in the months ahead."

Operational Highlights and Updates

Figure 1: U.S. Operational Highlights

Metric	10/31/2023	10/31/2022	% Δ	10/31/2023	9/30/2023	% Δ
Bitcoin Produced - U.S. Only	1,184	615	92 %	1,184	1,232	-4 %

Average Bitcoin Produced per Day	38.2	19.8	92 %	38.2	41.1	-7 %
Share of available miner rewards[1]	4.0 %	0.7 %	457 %	4.0 %	3.3 %	24 %
Energized Hash Rate (EH/s)[2]	19.2	7.0	174 %	19.2	19.1	1 %
Avg Operational Hash Rate (EH/s)[3]	17.2	NA		17.2	15.8	9 %
Installed Hash Rate (EH/s)[4]	23.1	7.0	230 %	23.1	23.1	— %

1. Defined as the total amount of block rewards including transaction fees that Marathon earned during the period divided by the total amount of block rewards and transaction fees awarded by the Bitcoin network during the period.

2. 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.

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

4. 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.

The Company's average fleet efficiency, based on manufacturers' specifications, was 25.2 J/TH (joules per terahash) as of November 1, 2023. Once fully deployed, Marathon's U.S. fleet efficiency is expected to be approximately 24 J/TH, according to the manufacturers' specifications.

Figure 2: U.S. Operational Details by Site

Hash Rates in EH/s			**Installed Hash Rate**		**Energized Hash Rate**		**Avg Operating Hash Rate**		**Avg % of Energized**	
Site	**State**	**Host**	**Oct 2023**	**Sep 2023**	**Oct 2023**	**Sep 2023**	**Oct 2023**	**Sep 2023**	**Oct 2023**	**Sep 2023**
McCamey	TX	US Bitcoin	7.7	7.7	7.7	7.7	6.6	5.8	86 %	75 %
Ellendale	ND	Applied	7.7	7.7	7.7	7.7	7.2	6.6	93 %	86 %
Garden City	TX	Applied	4.1	4.1	0.2	0.0	0.0	0.0	0 %	0 %
Granbury	TX	US Bitcoin	1.9	1.9	1.9	1.9	1.7	1.5	89 %	81 %
Jamestown	ND	Applied	1.4	1.4	1.4	1.4	1.3	1.2	89 %	84 %

Note: Table above does not include smaller sites or the joint venture in the UAE

Marathon and its hosting provider improved uptime in McCamey, TX from 75% in September to 86% in October. These improvements helped grow average operational hash rate at this facility by 14% to 7.2 EH/s. The Company is continuing to optimize its operations to maximize efficiency and lower operating costs.

Financial Highlights and Updates

Figure 3: Financial Highlights

	Year-Over-Year Comparison			**Prior Month Comparison**		
Metric	**10/31/2023**	**10/31/2022**	**% Δ**	**10/31/2023**	**9/30/2023**	**% Δ**
Total Cash, Cash Equivalents, & Restricted Cash ($, in millions)	156.1	60.9	156 %	156.1	101.2	54 %
Unrestricted Cash	156.1	52.1	200 %	156.1	101.2	54 %
Restricted Cash	0.0	8.8	-100 %	0.0	0.0	NA
Total BTC Holdings (in whole numbers)[1]	13,396	11,285	19 %	13,396	13,726	-2 %
Unrestricted BTC Holdings	13,396	3,464	287 %	13,396	13,726	-2 %
Restricted BTC Holdings	0	7,821	-100 %	0	0	NA
Pledged BTC Holdings	571	0	NA	571	0	NA

1. Reported bitcoin holdings exclude 571 BTC that have been pledged as collateral in a hedge transaction.

As of October 31, Marathon holds a total of 13,396 unrestricted BTC. With both hash rate and bitcoin production increasing, Marathon opted to sell 961 BTC to cover its associated direct costs. The company 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 also continued to hedge a portion of its BTC holdings. As of October 31, 571 BTC were pledged as collateral and no longer on Marathon's balance sheet.

The Company ended the month with $156.1 million in cash and cash equivalents on its balance sheet, all of which was unrestricted. The combined balance of unrestricted cash and cash equivalents and bitcoin increased from $471.3 million to $620.4 million at October 31, 2023, when compared to the previous month.

Special Meeting of Shareholders November 10, 2023

Marathon Digital Holdings will hold a Special Meeting of Shareholders on November 10, 2023 to consider and vote on several corporate proposals. For more information, please see the Schedule 14A filed with the Securities and Exchange Commission on October 2, 2023 and linked here.

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 November 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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