November 7, 2023

Marathon Digital Holdings Continues International Expansion with 100% Renewably Powered Bitcoin Mining Project in Paraguay

1.1 EH/s To Be Powered by 27 MW of Hydro Energy near Itaipu Dam

Fort Lauderdale, FL, Nov. 07, 2023 (GLOBE NEWSWIRE) -- Marathon Digital Holdings, Inc. (NASDAQ:MARA) ("Marathon" or "Company"), a leader in supporting and securing the Bitcoin ecosystem, has launched its second international deployment with a 27 megawatt Bitcoin mining project in Paraguay that is completely powered by renewable, hydro energy. The first miners are onsite and currently being prepared for installation and energization.

On October 16, 2023, Marathon entered into an agreement withPenguin Infrastructure Holding ("Penguin Group"), whose mission is to transform energy into human potential in Paraguay, to launch a Bitcoin mining project near Paraguay's Itaipu Dam. Itaipu Dam has an installed generation capacity of 14 gigawatts and is the second largest hydroelectric dam in the world by annual production.[1]

This project, which is structured as a joint venture, will be built out in two stages. The first stage will utilize approximately seven megawatts to power approximately 0.3 EH/s of Marathon's miners and is expected to be energized in November. The second phase will utilize approximately 20 megawatts to power approximately 0.8 EH/s of Marathon's miners and is expected to come online in 2024. Over the coming months, Marathon will be working with Penguin Group to bring the full 1.1 EH/s online.

"After proving that we can successfully deploy internationally with our project in Abu Dhabi, we are continuing to expand into new markets with excess or stranded energy," said Fred Thiel, Marathon's chairman and CEO. "This project is our second international deployment and marks our first into Latin America.

"Paraguay produces approximately 32 terawatt hours of surplus energy per year,[2] which results in lower productivity for the utility and for the country. Bitcoin miners, like Marathon, have the unique ability to co-locate at sources of power that are producing excess energy, like the Itaipu Dam in Paraguay. For Marathon, such deployments provide us with the opportunity to reduce our power costs and increase our mix of sustainable energy. For utilities and countries with excess power, we can help them monetize their excess energy without having to build expensive transmission lines and additional infrastructure. We believe this project may serve as an excellent case study for the value Bitcoin mining can bring to regions with excess power. We look forward to expanding our operations in Paraguay and elsewhere."

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.

References

1. Vera, Erick. “Inside the Itaipú Dam, Paraguay and Brazil’s Hydro Colossus.” Hashrate Index, February 28, 2023. https://hashrateindex.com/blog/inside-the-itaipu-dam/.
2. “Paraguay - Countries & Regions.” IEA. Accessed August 9, 2023. https://www.iea.org/countries/paraguay.

Note: Surplus energy is defined as the difference between electricity generation (c. 46 TWh) and electricity consumption (c. 14 TWh). This definition does not account for exported energy (c. 28 TWh).

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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