April 4, 2024

Marathon Digital Holdings Announces Bitcoin Production and Mining Operation Updates for March 2024

- Increased BTC Holdings to 17,381 BTC; Total Cash and BTC of$1.6B as of March 31, 2024

- Average Operational Hash Rate Increases 4% M/M to 18.3 EH/s

Fort Lauderdale, FL, April 04, 2024 (GLOBE NEWSWIRE) -- Marathon Digital Holdings, Inc. (NASDAQ: MARA) ("Marathon" or "Company"), one of the world's largest publicly traded Bitcoin miners and a leader in supporting and securing the Bitcoin ecosystem, today published unaudited bitcoin ("BTC") production and miner installation updates for March 2024.

Management Commentary

"Throughout the first quarter, our Bitcoin production has been impacted by unexpected equipment failures, transmission line maintenance, and higher than anticipated weather-related curtailment across multiple sites," said Fred Thiel, Marathon's chairman and CEO. "After maintenance issues at Garden City were addressed, the site experienced higher than anticipated curtailment in March. At Granbury, McCamey, and Ellendale, we are continuing to work through transformer issues that have reduced capacity at those sites below historical norms.

"While the site in Ellendale was briefly recovered and re-energized at the end of February, it had to be brought back down due to the persistence of quality issues with the transformers sourced at the site. The demonstrated complexity of re-energizing Ellendale, along with the latest information and recent progress, indicates that capacity at this site is likely to be gradually increased over the coming months. Applied Digital is using its best commercially reasonable efforts to shorten and pull up the energization timeline.

"While our hosting provider continues to swap in newly acquired transformers and bring capacity at Ellendale back online, we have continued to focus on optimizing our performance at other sites. In March, we began relocating miners from Ellendale to take advantage of the additional capacity we recently acquired through our strategic acquisitions of sites in Texas and Nebraska. We are also preparing to transition part of Granbury to immersion to optimize performance. Despite the challenges, we increased our average operational hash rate by 4% in March to 18.3 exahash, and we increased our bitcoin production 7% to 894 bitcoin. We now have 17,381 BTC on our balance sheet, and our combined cash and bitcoin holdings are approximately $1.6 billion.

"As Ellendale is gradually brought back online, we intend to further develop our Bitcoin

mining portfolio, which is growing to approximately 1.1 gigawatts of capacity diversified across 11 sites on three continents, and leveraging our recently announced technology innovations, like our two-phase immersion cooling system, to optimize performance and expand our position as a leader in converting energy into economic value."

Operational Highlights and Updates

Figure 1: Operational Highlights

	Year-Over-Year Comparison			Prior Month Comparison		
Metric	**3/31/2024**	**3/31/2023**	**% Δ**	**3/31/2024**	**2/29/2024**	**% Δ**
Bitcoin Produced	**894**	**825**	**8 %**	**894**	**833**	**7 %**
Average Bitcoin Produced per Day	28.8	26.6	8 %	28.8	28.7	— %
Share of available miner rewards [1]	3.0 %	2.7 %	9 %	3.0 %	3.0 %	— %
Transaction Fees as % of Total [5]	4.5 %	3.1 %	47 %	4.5 %	5.1 %	(11)%
Number of Blocks Won [5]	118	81	46 %	118	110	7 %
Energized Hash Rate (EH/s) [2]	**27.8**	**11.5**	**142 %**	**27.8**	**28.7**	**(3)%**
Average Operational Hash Rate (EH/s) [3]	18.3	11.5	59 %	18.3	17.6	4 %
Installed Hash Rate (EH/s) [4]	**27.8**	**15.4**	**81 %**	**27.8**	**28.7**	**(3)%**

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 including miners that may be temporarily offline. 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 not yet energized. Hash rates are estimates based on the manufacturers' specifications. All figures are rounded.
5. These metrics are MaraPool only, do not include the joint ventures.

In March, Marathon energized approximately 4,000 additional miners (c. 0.4 EH/s). Once the current transition of 9,500 miners from Ellendale to Garden City is complete, Marathon's operating fleet will increase to approximately 235,000 Bitcoin miners, theoretically capable of producing 29.8 EH/s. Hash rate figures are calculated according to the manufacturers' specifications.

Figure 2: 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**	**Mar 2024**	**Feb 2024**	**Mar 2024**	**Feb 2024**	**Mar 2024**	**Feb 2024**	**Mar 2024**	**Feb 2024**
Owned Operated										
Granbury	TX	Marathon	4.2	4.2	4.2	4.2	3.2	3.4	77 %	82 %
Garden City	TX	Marathon	4.5	4.5	4.5	4.5	3.5	2.6	78 %	57 %
Kearney	NE	Marathon	1.2	0.8	1.2	0.8	0.8	0.5	67 %	63 %
Total owned operated			9.9	9.5	9.9	9.5	7.5	6.5	76 %	68 %
Third-party Hosted										
McCamey	TX	US Bitcoin	7.7	7.7	7.7	7.7	6.4	6.0	83 %	78 %

Ellendale	ND	Applied	6.5	7.8	6.5	7.8	0.9	1.8	14 %	23 %
Jamestown	ND	Applied	1.4	1.4	1.4	1.4	1.4	1.4	98 %	97 %
All Other		Various	2.3	2.3	2.3	2.3	2.0	1.9	88 %	84 %
Total third-party hosted			17.9	19.2	17.9	19.2	10.7	11.1	60 %	58 %
Total			**27.8**	**28.7**	**27.8**	**28.7**	**18.2**	**17.6**	**65 %**	**61 %**

As of March 31, 2024 the Company holds a total of 17,381 unrestricted BTC. Marathon opted to sell 440 bitcoin in March. The Company still intends to sell a portion of its bitcoin holdings in future periods to support monthly operations, manage its treasury, and for general corporate purposes.

Financial Highlights and Updates

Figure 3: Financial Highlights

	Year-Over-Year Comparison			Prior Month Comparison		
Metric	3/31/2024	3/31/2023	% Δ	3/31/2024	2/29/2024	% Δ
Total Cash, Cash Equivalents & Restricted Cash ($, in millions)	**$ 324.3**	**$ 124.9**	**160 %**	**$ 324.3**	**$ 425.6**	**(24)%**
Unrestricted Cash	324.3	124.9	160 %	324.3	425.6	(24)%
Restricted Cash	—	—	NA	—	—	NA
Total BTC Holdings (in whole numbers)	17,381	11,466	52 %	17,381	16,930	3 %
Unrestricted BTC Holdings	17,381	11,466	52 %	17,381	16,930	3 %
Restricted BTC Holdings	—	—	NA	—	—	NA
Pledged BTC Holdings	—	—	NA	—	—	NA

Marathon held $324.3 million in cash and cash equivalents on its balance sheet at month end, all of which was unrestricted. During March, the combined balance of unrestricted cash and cash equivalents and bitcoin increased from $1,461.4 million to $1,563.4 million at March 31, 2024. In anticipation of the next Bitcoin network halving, the Company continues to build liquidity on the balance sheet to capitalize on strategic opportunities, including industry consolidation.

Upcoming Conferences

Bitcoin Policy Summit
April 9, 2024
Washington D.C.

Blockchain Life 2024
April 15-16, 2024
Dubai, UAE

AmCham Business Summit
April 24-25, 2024
Nairobi, Kenya

AIM Summit London
April 29-30, 2024
London, UK

Recent Announcements

- April 2 - Announces the closing of its acquisition of a 200-megawatt Bitcoin mining data center adjacent to a wind farm
- March 26 - Unveils two-phase immersion cooling system to optimize data center operations
- March 25 - Releases industry-leading Bitcoin mining firmware and control board
- March 15 - Enters definitive agreement to acquire 200-megawatt Bitcoin mining data center adjacent to a wind farm

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, 2023, filed with the SEC on February 28, 2024. 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. See "Forward-Looking Statements" below.

Forward-Looking Statements
This press release contains forward-looking statements within the meaning of the federal securities laws. Forward-looking statements in this press release relate to the expected timing and achievement of our growth targets, specifically relating to our anticipated hash rate and exahash growth. You can identify forward-looking statements by the use of words such as “may,” “will,” “could,” “anticipate,” “expect,” “intend,” “believe,” “continue,” or the negative of such terms, or other comparable terminology. Forward-looking statements include the assumptions underlying or relating to such statements. The Company has based these forward-looking statements largely on its current expectations and projections about future events and trends that we believe may affect its business, results of operations and financial condition. The outcomes of the events described in these forward-looking statements are subject to risks, uncertainties and other factors described under the heading “Risk Factors” in the reports the Company files with the Securities and Exchange Commission. The Company cannot assure you that the events and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results could differ materially from those expressed or implied in the forward-looking statements. The forward-looking statements made in this press release relate only to events as of the date of this press release. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made.

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:

Twitter: @MarathonDH

LinkedIn: www.linkedin.com/company/marathon-digital-holdings
Facebook: www.facebook.com/MarathonDigitalHoldings
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