June 5, 2024

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

- *Average Operational Hash Rate Increases 22% M/M to 25.7 EH/s*
- *Increased BTC Holdings to 17,857 BTC; Total Cash and BTC of $1.5 B as of May 31, 2024*

Fort Lauderdale, FL, June 05, 2024 (GLOBE NEWSWIRE) -- Marathon Digital Holdings, Inc. (NASDAQ: MARA) ("Marathon" or the "Company"), a global leader in leveraging digital asset compute to support the energy transformation, today published unaudited bitcoin ("BTC") production and miner installation updates for May 2024.

Management Commentary

"The strength of our MARA pool was evident in May as we achieved a noteworthy 32% increase in the number of blocks won compared to April, growing from 129 blocks to 170," said Fred Thiel, Marathon's chairman and CEO. "At the same time, our share of available miner awards grew from 3.2% to 4.2%. In May, we mitigated the impact of the April Halving event by increasing the number of blocks won, resulting in the production of 616 bitcoin, a decline of only 27%.

"Domestically, our Ellendale facility's operational improvements are yielding positive results, and our team continues to optimize our recently acquired sites with immersion cooling technology and the latest generation hardware. With these advancements and the expansion of our fleet, we remain on track to reach our target of 50 EH/s by the end of this year. Notably, we raised our average operational hash rate during May to 25.7 EH/s, a 22% improvement over April.

"On the international front, we recently announced an agreement with the Ministry of Energy and Petroleum of the Republic of Kenya to support the utilization of energy and to optimize renewable energy projects across the country. While we have worked with sovereign wealth funds in the Middle East to optimize their energy infrastructure and launched a pilot project in Paraguay, this is the first time we have directly collaborated with a government to enhance their energy infrastructure. We aim to have 50% of revenues coming from overseas by 2028, and we look forward to expanding our global presence as a leader in leveraging digital asset compute to support the energy transformation."

Operational Highlights and Updates

Figure 1: Operational Highlights

	Year-Over-Year Comparison	Prior Month Comparison

Metric	5/31/2024	5/31/2023	% Δ	5/31/2024	4/30/2024	% Δ
Bitcoin Produced	**616**	**1,245**	**(51)%**	**616**	**850**	**(27)%**
Average Bitcoin Produced per Day	19.9	40.2	(51)%	19.9	28.3	(30)%
Share of available miner rewards [1]	4.2%	3.7%	NA	4.2%	3.2%	NA
Transaction Fees as % of Total [5]	6.6%	12.9%	NA	6.6%	16.2%	NA
Number of Blocks Won [5]	170	171	(1)%	170	129	32%
Energized Hash Rate (EH/s) [2]	**29.3**	**15.2**	**93%**	**29.3**	**29.9**	**(2)%**
Average Operational Hash Rate (EH/s) [3]	25.7	12.5	106%	25.7	21.1	22%
Installed Hash Rate (EH/s) [4]	**30.6**	**20.1**	**52%**	**30.6**	**29.9**	**2%**

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 May, Marathon energized approximately 5,000 additional miners (c. 0.7 EH/s). Approximately 9,000 miners have been reinstalled at the Ellendale facility, awaiting a return to full energization. As a result, Marathon's operating fleet increased to approximately 246,000 Bitcoin miners theoretically capable of producing 30.6 EH/s, with 237,000 miners (c. 29.3 EH/s) fully operational. In May, Marathon achieved a peak overall hash rate of 28.1 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**	**May 2024**	**Apr 2024**	**May 2024**	**Apr 2024**	**May 2024**	**Apr 2024**	**May 2024**	**Apr 2024**
Owned Operated										
Granbury	TX	Marathon	3.9	4.4	3.9	4.4	3.8	3.6	98%	82%
Garden City	TX	Marathon	5.4	5.8	5.4	5.8	4.5	4.6	83%	79%
Kearney	NE	Marathon	2.3	1.9	2.3	1.9	1.9	1.2	83%	63%
Total owned operated			**11.5**	**12.1**	**11.5**	**12.1**	**10.2**	**9.4**	**89%**	**78%**
Third-party Hosted										
McCamey	TX	Hut 8	7.6	7.6	7.6	7.6	6.4	6.2	85%	82%
Ellendale	ND	Applied	7.7	6.5	6.5	6.5	5.6	1.9	87%	29%
Jamestown	ND	Applied	1.4	1.4	1.4	1.4	1.4	1.4	98%	99%
All Other		Various	2.3	2.3	2.3	2.3	2.2	2.2	96%	96%
Total third-party hosted			**19.0**	**17.8**	**17.8**	**17.8**	**15.6**	**11.7**	**88%**	**66%**
Total			**30.6**	**29.9**	**29.3**	**29.9**	**25.7**	**21.1**	**88%**	**71%**

As of May 31, 2024 the Company holds a total of 17,857 unrestricted BTC. Marathon opted to sell 390 bitcoin in May. 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	5/31/2024	5/31/2023	% Δ	5/31/2024	4/30/2024	% Δ
Total Cash, Cash Equivalents & Restricted Cash ($, in millions)	**$ 290.4**	**$ 97.3**	**198 %**	**$ 290.4**	**$ 145.3**	**100 %**
Unrestricted Cash	290.4	97.3	198 %	290.4	133.3	118 %
Restricted Cash	—	—	NA	—	12.0	(100)%
Total BTC Holdings (in whole numbers)	17,857	12,259	46 %	17,857	17,631	1 %
Unrestricted BTC Holdings	17,857	12,259	46 %	17,857	17,631	1 %
Restricted BTC Holdings	—	—	NA	—	—	NA
Pledged BTC Holdings	—	—	NA	—	—	NA

Marathon held $290.4 million in cash and cash equivalents on its balance sheet at month end, all of which was unrestricted. During May, the combined balance of unrestricted cash and cash equivalents and bitcoin increased from $1,214.1 million to $1,495.2 million at May 31, 2024.

Recent Announcements

- June 3 - Marathon Digital Holdings' 2024 proxy vote explained
- May 24 - Enters into agreement with the Ministry of Energy and Petroleum of the Republic of Kenya to enhance Kenya's energy sector
- May 9 - Reports first quarter 2024 results

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 Digital Holdings (NASDAQ:MARA) is a global leader in digital asset compute that develops and deploys innovative technologies to build a more sustainable and inclusive future. Marathon secures the world’s preeminent blockchain ledger and supports the energy transformation by converting clean, stranded, or otherwise underutilized energy into economic value.

For more information, visit www.mara.com, or follow us on:

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