January 4, 2021

Marathon Patent Group Completes $200 Million Capital Raise, Ending the Year with $217.6 Million in Cash

LAS VEGAS, Jan. 04, 2021 (GLOBE NEWSWIRE) -- Marathon Patent Group, Inc. (NASDAQ:**MARA**) ("Marathon" or "Company"), one of the largest enterprise Bitcoin self-mining companies in North America, today announced that it has successfully completed its previously announced $200 million shelf offering by utilizing its at-the-market (ATM) facility. As a result, the Company ended the 2020 fiscal year with $217.6 million in cash and 74,656,549 shares outstanding.

Marathon intends to utilize the funds from this recent capital raise to pay for the miners it has purchased from Bitmain and to further grow the business. To date, the Company has purchased 103,060 miners, which, once delivered and fully deployed, will produce approximately 10.36 EH/s. 15,200 of these units are scheduled to be shipped in the first quarter of 2021, and the Company currently anticipates installing 4,000 units in February, 6,300 in March, and 4,800 in April. After initial deposits were paid, Marathon's remaining balance due to Bitmain was $163.0 million, indicating that the Company's current cash position is more than adequate to cover the costs of all miners purchased as of December 31, 2020.

A photo accompanying this announcement is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/2fb70d7a-d61d-464e-88e5-e9cac15d361c

"Completing this capital raise was a milestone for our business as it provided us with an efficient means of procuring the necessary funds to pay for the miners we have purchased from Bitmain," said Marathon's chairman and chief executive officer, Merrick Okamoto. "We operate in a volatile industry in which prescient timing and scale are paramount to efficiently driving profitability. The unique relationship we have built with Bitmain allowed us to secure a record number of miners, which because of the substantial increase in Bitcoin's price and subsequent increase in demand for mining rigs, are now being sold in secondary markets at multiples of our purchase price.

"According to publicly available Bitcoin profit calculators, if all the miners we have purchased were deployed today, and Bitcoin's price were $28,000/BTC, we would produce approximately $618 million in revenue annually and approximately $523 million in gross profit annually. Marathon is clearly on a path to become one of the largest miners in North America, and this capital raise indicates that we are not only gaining important scale, but we are doing so effectively and efficiently."

Bitcoin Profit Calculations

The projected results above were obtained using the ViaBTC Profit Calculator (https://www.viabtc.com/tools/calculator) assuming a hashrate of 10.36 EH/s, power cost of $0.028 per kWh, and hosting costs of $0.006 per kWh. These results should not be considered a forward forecast of revenue by the Company. These results could be materially affected by the price of Bitcoin and an increase in hashrate mining difficulty and are subject to delivery of all miners.

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, 2019. 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 hashrate may also materially affect the future performance of Marathon's production of Bitcoin. See "Safe Harbor" 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 Patent Group

Marathon is a digital asset technology company that mines cryptocurrencies, with a focus on the blockchain ecosystem and the generation of digital assets.

Marathon Patent Group Company Contact:

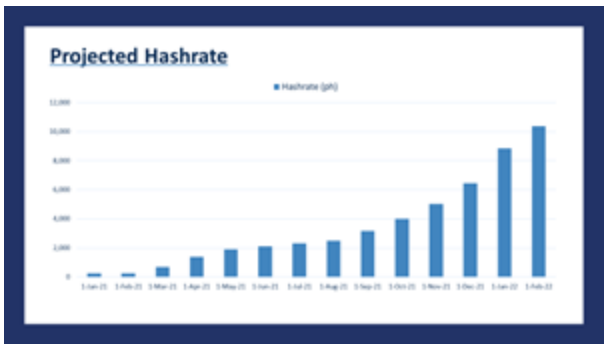
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Projected Hashrate



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