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Marathon Digital Holdings Announces Bitcoin Production and Mining Operation Updates for May 2021

Total Bitcoin Holdings to Increase to Approximately 5,518 BTC as Marathon's Hashrate Increases to Approximately 1.9 EH/s

LAS VEGAS, June 02, 2021 (GLOBE NEWSWIRE) -- **Marathon Digital Holdings, Inc. (NASDAQ:MARA) ("Marathon" or "Company")**, one of the largest enterprise Bitcoin self-mining companies in North America, today published unaudited bitcoin ("BTC") production and miner installation updates for May 2021.

Corporate Highlights as of June 1, 2021

- Produced 226.6 new minted bitcoins during May 2021, increasing total bitcoin holdings to approximately 5,518 with a fair market value of approximately $203.4 million
- Cash on hand was approximately $191.8 million and total liquidity, defined as cash and bitcoin holdings, was approximately $395.1 million
- Received approximately 16,809 S-19 Pro ASIC miners from Bitmain year to date with an additional 1,911 S-19 Pro ASIC miners currently in transit
- Increased active mining fleet to approximately 17,655 miners, generating approximately 1.9 EH/s
- On May 31, 2021, announced that the Company's Bitcoin mining pool, MaraPool, was adopting and implementing Bitcoin Core version 0.21.1

Bitcoin Production Update
As of June 1, 2021, Marathon's mining fleet has produced approximately 580.5 newly minted bitcoins during 2021. By month, the Company's bitcoin production was as follows:

- January 2021: 50.4 BTC
- February 2021: 43.4 BTC
- March 2021: 97.9 BTC
- April 2021: 162.1 BTC
- May 2021: 226.6 BTC

As a result, Marathon currently holds approximately 5,518 BTC, including the 4,812.66 BTC the Company purchased in January 2021 for an average price of $31,168 per BTC. On May 31, 2021, the fair market value of one bitcoin was approximately $36,857, implying that the approximate fair market value of Marathon's current bitcoin holdings is approximately $203.4 million.

Miner Installations and Hashrate Growth
As of June 1, 2021, Bitmain has delivered approximately 16,809 S-19 Pro ASIC miners to the Company's mining facility in Hardin, MT, all of which were delivered on time and as scheduled. During the month of May, Marathon installed 5,571 new miners, increasing the Company's active mining fleet to approximately 17,655 miners, generating approximately 1.9 EH/s.

New miners continue to be installed on a daily basis. Based on current delivery and installation schedules, Marathon continues to expect all previously purchased miners to be fully installed by the end of the first quarter of 2022, at which point, the Company's mining fleet will consist of approximately 103,120 miners, generating approximately 10.37 EH/s.

Implementing Bitcoin Core Version 0.21.1 (Taproot)
On May 31, 2021, Marathon announced that the Company's Bitcoin mining pool, MaraPool, was adopting and implementing Bitcoin Core version 0.21.1, which includes the Taproot soft fork, without modification. As a result, MaraPool will no longer filter transactions. The update is expected to begin this week with Taproot signaling commencing the following week, at which point, the pool will begin validating transactions in a manner consistent with all other miners who use the standard node. The full press release is accessible at this link.

Management Commentary
"In May, we produced 226.6 bitcoins, which is a 40% increase from the 162.1 bitcoins we produced in April, and we increased our hashrate to 1.9 EH/s after installing another 5,571 miners," said Fred Thiel, Marathon's CEO. "As a result, we were producing nearly 10 bitcoins per day on average at the end of the month. Given our current delivery schedule and the macro events affecting the global network hashrate, Marathon is particularly well positioned to scale and thrive in the current mining environment. Delivery and installation of new miners continue to progress well, and we remain on track to meet our objectives of transitioning our operations to 70% carbon neutral and having all our previously purchased miners online by the end of the first quarter of next year."

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, 2020. 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.

Additionally, all discussions of financial metrics assume mining difficulty rates as of June 2021. 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 Digital Holdings
Marathon is a digital asset technology company that mines cryptocurrencies with a focus on the blockchain ecosystem and the generation of digital assets.

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