August 3, 2023

Marathon Digital Holdings Announces Bitcoin Production and Mining Operation Updates for July 2023

- Mined a Record 179 Blocks in July 2023
- Produced 1,176 BTC in July 2023 and 6,297 BTC Year-To-Date
- Increased Operational Hash Rate 6% to 18.8 EH/s and Installed Hash Rate 5% to 22.8 EH/s in July 2023
- JV in Abu Dhabi Began Mining Operations; Produced 17 BTC in July
- Reported Unrestricted Cash and Cash Equivalents of $115 Million and Increased Unrestricted Bitcoin Holdings to 12,964 BTC (c. $379 Million) as of July 31, 2023

FORT LAUDERDALE, Fla., Aug. 03, 2023 (GLOBE NEWSWIRE) -- **Marathon Digital Holdings, Inc. (NASDAQ:MARA) ("Marathon" or "Company")**, a leader in supporting and securing the Bitcoin ecosystem, today published unaudited bitcoin ("BTC") production and miner installation updates for July 2023.

Management Commentary
"We produced 1,176 bitcoin in July, which is a 20% increase from last month and a 1,527% increase from July of last year," said Fred Thiel, Marathon's chairman and CEO. "The increases in our bitcoin production were due to increased operational hash rate and improved uptime. With these improvements, we also mined a record number of blocks this month. We mined 179 blocks in July, whereas we mined 144 blocks last month and 171 blocks in May when high transaction fees boosted our reported bitcoin production.

"In July, we increased our operational hash rate 6% month-over-month to 18.8 exahashes, and we increased our installed hash rate 5% month-over-month to 22.8 exahashes. The majority of the sequential increase is due to the completion of the build-out of the facility in Ellendale, North Dakota. With all six buildings now fully operational, Ellendale adds a total of 7.6 exahashes to our energized hash rate. The facility in Garden City, Texas is expected to come online next. Tie in work has been completed at this site, and we believe energization is likely imminent.

"We also saw continued progress at our joint venture in Abu Dhabi which began hashing in early July and produced 16.8 bitcoin in its first month. Given our 20% ownership stake, our share was 3.4 bitcoin for the month of July. As of July 31, the JV's operational hash rate grew to 1.2 exahashes, and we continue to expect the project's full 7.0 exahashes to be online before year-end 2023."

Operational Highlights and Updates

Figure 1: Operational Highlights

Metric	7/31/2023	7/31/2022	% Δ	7/31/2023	6/30/2023	% Δ
BTC Produced	1,176	72.3	1527%	1,176	979	20%
Avg. BTC Produced per Day	37.9	2.3	1527%	37.9	32.6	16%
Operational/Energized Hash Rate (EH/s)[1]	18.8	0.6	2838%	18.8	17.7	6%
Average Operational Hash Rate (EH/s)[2]	14.0	NA		14.0	13.0	8%
Installed Hash Rate (EH/s)[3]	22.8	0.6	3463%	22.8	21.8	5%

1. Defined as the amount of hash rate that could theoretically be generated if all miners that have been energized are currently in operation (includes miners that are temporarily offline for maintenance or similar reasons). Hash rates are estimates based on the manufacturers' specifications. All figures are rounded.

2. Defined as the average hash rate that was actually generated during the month from all operational miners. All figures are estimates and are rounded.

3. Defined as the sum of energized hash rate (see above) and hash rate that has been installed but is not yet energized (e.g., miners are in containers but not energized). Hash rates are estimates based on the manufacturers' specifications. All figures are rounded.

In July, approximately 6,100 of Marathon's Bitcoin miners (c. 0.8 EH/s) were energized at Applied Digital's facilities in Ellendale, North Dakota. This energization increased the Company's operating fleet to approximately 156,600 Bitcoin miners, theoretically capable of producing approximately 18.8 EH/s, according to the manufacturer's specifications, as of August 1, 2023.

With the majority of Marathon's fleet now powered by S19 XPs, the Company's average fleet efficiency, based on manufacturers' specifications, improved from 27.3 J/TH (joules per terahash) last month to 25.3 J/TH as of August 1, 2023. Once fully deployed, Marathon's fleet efficiency is expected to be approximately 24.2 J/TH, according to the manufacturers' specifications.

Financial Highlights and Updates

Figure 2: Financial Highlights

	Year-Over-Year Comparison			Prior Month Comparison		
Metric	7/31/2023	7/31/2022	% Δ	7/31/2023	6/30/2023	% Δ
Total Cash, Cash Equivalents, & Restricted Cash ($, in millions)	129.4	120.7	7%	129.4	113.7	14%
Unrestricted Cash	115.1	117.5	-2%	115.1	113.7	1%
Restricted Cash	14.3	3.2	347%	14.3	0.0	NA
Total BTC Holdings (in whole numbers)	12,964	10,127	28%	12,964	12,538	3%
Unrestricted BTC Holdings	12,964	6,895	88%	12,964	12,538	3%
Restricted BTC Holdings	0	3,232	-100%	0	0	NA

As of August 1, Marathon holds a total of 12,964 BTC, all of which are unrestricted. The Company opted to sell 750 BTC during the month of July and intends to sell a portion of its bitcoin holdings in future periods to support monthly operations, manage its treasury, and for general corporate purposes. The Company ended the month with $129.4 million in cash and cash equivalents on its balance sheet of which $115.1 million was unrestricted. The combined balance of unrestricted cash and cash equivalents and bitcoin increased from $278.2 million to $494.0 million at July 31, 2023 when compared to the same period last 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, 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 July 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.

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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