

LM Funding America, Inc. Announces Strategic Collaboration with Arthur Mining to Support Development of New Hosting Sites with Dedicated Capacity Expected to Drive Revenue Growth and Significant Cost Efficiencies

Tampa, FL, June 07, 2024 (GLOBE NEWSWIRE) -- LM Funding America, Inc. (NASDAQ:LMFA) ("LM Funding" or the "Company"), a cryptocurrency mining and technology-based specialty finance company, today announced a strategic collaboration to support the development of a new 15 MW hosting site being developed by Arthur Mining Inc., near Oklahoma City. In connection with collaboration, LM Funding has committed to loaning \$2.5 million to a new joint venture, majority-owned by Arthur Mining and co-owned by a third-party, in order to accelerate completion of the 15 MW hosting site.

As part of the agreement, the Company has entered into a hosting contract with Arthur Mining for approximately 3,000 of the Company's Bitmain Antminer S19j Pro machines to be deployed at the new hosting site upon completion of the buildout, which is expected by the end of June 2024. Furthermore, Arthur Mining has agreed to host these machines at cost for approximately nine months, which is expected to result in significant cost savings for LM Funding. In addition, LM Funding and Arthur Mining plan to explore the development of a new 60 MW site adjacent to the current 15 MW Oklahoma City site, which would support the cost-effective deployment of additional mining machines for the Company.

Bruce Rodgers, Chief Executive Officer of LM Funding, commented, "We look forward to working with Arthur Mining to advance development of the new 15 MW hosting site, as well as the potential new 60 MW site. We believe these sites would provide us with cost-effective, short and long-term solutions to host our S19J Pros, allowing us to rapidly scale our cryptocurrency mining capabilities. Partnering with Arthur Mining enables us to reap the benefits of vertical integration, while remaining focused on our core competencies and without the operational or integration risks. Specifically, we look forward to leveraging their deep hosting expertise and infrastructure while positioning ourselves to accelerate growth and enhance profitability."

About LM Funding America

LM Funding America, Inc. (Nasdaq: LMFA), together with its subsidiaries, is a cryptocurrency mining business that commenced Bitcoin mining operations in September 2022. The Company also operates a technology-based specialty finance company that provides funding to nonprofit community associations (Associations) primarily located in the state of Florida, as well as in the states of Washington, Colorado, and Illinois, by funding a certain portion of the Associations' rights to delinquent accounts that are selected by the

Associations arising from unpaid Association assessments.

Forward-Looking Statements

This press release may contain forward-looking statements made pursuant to the Private Securities Litigation Reform Act of 1995. Words such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “plan,” and “project” and other similar words and expressions are intended to signify forward-looking statements. Forward-looking statements are not guaranties of future results and conditions but rather are subject to various risks and uncertainties. Some of these risks and uncertainties are identified in the company's most recent Annual Report on Form 10-K and its other filings with the SEC, which are available at www.sec.gov. These risks and uncertainties include, without limitation, uncertainty created by the COVID-19 pandemic, the risks of entering into and operating in the cryptocurrency mining business, the capacity of our bitcoin mining machines and our related ability to purchase power at reasonable prices, the ability to finance our planned cryptocurrency mining operations, our ability to acquire new accounts in our specialty finance business at appropriate prices, the need for capital, our ability to hire and retain new employees, changes in governmental regulations that affect our ability to collect sufficient amounts on defaulted consumer receivables, changes in the credit or capital markets, changes in interest rates, and negative press regarding the debt collection industry. The occurrence of any of these risks and uncertainties could have a material adverse effect on our business, financial condition, and results of operations.

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