



## **Bitmain Increases its Mining to 30 MW at Texas Facility - Managed by DMG**

### Highlights:

- Bitmain is the industry-leading fabless manufacturer of computing chips
- Bitmain has increased its Texas facility's total capacity to 65 MW
- Bitmain has increased the number of its miners in the Texas facility to approximately 30 MW
- DMG continues to manage Bitmain's expanded crypto-mining operations in Texas

**VANCOUVER, British Columbia, November 12, 2019 — DMG Blockchain Solutions Inc.** (TSX-V: DMGI) (DMGGF:OTC US) (FRANKFURT:6AX) ("**DMG**" or the "**Company**"), a diversified blockchain and technology company, is pleased to announce that Bitmain has shipped an additional allotment of its Antminers to its Texas facility, which is now managed by DMG.

This new shipment will consume approximately 15 MW of additional power which is an approximate 50% increase in mining hardware which is currently being used for bitcoin mining. Installation of the new miners will increase the power consumption at the Texas facility by more than 50% as the additional miners are a newer model. Bitmain's Texas facility has the potential to expand to more than 300 MW, to make it one of the largest bitcoin mining facilities in the future. Bitmain and DMG will continue to work together to expand the capacity and to ensure efficient operations of Bitmain's newest technology ASIC miners.

DMG's COO, Sheldon Bennett commented, "When we began the relationship with Bitmain, our intention was always to continue to expand the total number of miners under DMG's management. For the past month DMG's team has been managing more than 10,000 miners and we are excited that Bitmain has now decided to increase this by an additional 50%. We will continue to work diligently to ensure smooth and efficient operations at the Texas facility. Furthermore, we have added to the team additional employees, all from the local area. We look forward to continuing to employ the local workforce as the facility expands."

DMG also reports it has granted 1,850,000 stock options to various directors, employees, and consultants at an exercise price of \$0.15, vesting quarterly over 12 months, with a three-year term.

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**About DMG Blockchain Solutions Inc.**

DMG Blockchain Solutions Inc. is a diversified blockchain and cryptocurrency company that manages, operates and develops end-to-end solutions to monetize the blockchain ecosystem. DMG, with its Blockseer division located in Silicon Valley, intends to be the global leader in industrial scale crypto mine hosting – Mining as a Service (MaaS), crypto mining, blockchain forensics/analytics, and blockchain platform development.

For more information on DMG Blockchain Solutions visit: [www.dmgblockchain.com](http://www.dmgblockchain.com)

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### **Cautionary Note Regarding Forward-Looking Information**

This news release contains forward-looking information based on current expectations. Statements about the Company's plans and intentions, other potential transactions, entering into a long-term definitive agreement with Bitmain, expansion of Bitmain's Texas mining facility, acquisition of customers, product development, events, courses of action, and the potential of the Company's technology and operations, among others, are all forward-looking information. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such information can generally be identified by the use of forwarding looking wording such as "may", "expect", "estimate", "anticipate", "intend", "believe" and "continue" or the negative thereof or similar variations. The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company, including but not limited to, business, economic and capital market conditions; the ability to manage operating expenses, which may adversely affect the Company's financial condition; the ability to remain competitive as other better financed competitors develop and release competitive products; regulatory uncertainties; access to equipment; market conditions and the demand and pricing for products; the demand and pricing of bitcoins; security threats, including a loss/theft of DMG's bitcoins; DMG's relationships with its customers, distributors and business partners; the inability to add more power to DMG's facilities; DMG's ability to successfully define, design and release new products in a timely manner that meet customers' needs; the ability to attract, retain and motivate qualified personnel; competition in the industry; the impact of technology changes on the products and industry; failure to develop new and innovative products; the ability to successfully maintain and enforce our intellectual property rights and defend third-party claims of infringement of their intellectual property rights; the impact of intellectual property litigation that could materially and adversely affect the business; the ability to manage working capital; and the dependence on key personnel. DMG may not actually achieve its plans, projections, or expectations. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future, including the demand for its products, the ability to successfully develop software, that there will be no regulation or law that will prevent the Company from operating its business, anticipated costs, the ability to achieve goals and the price of bitcoin. Given these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements.

The securities of DMG are considered highly speculative due to the nature of DMG's business.

Factors that could cause actual results to differ materially from those in forward-looking statements include, failure to obtain regulatory approval, the continued availability of capital and financing, equipment failures, lack of supply of equipment, power and infrastructure, failure to obtain any permits required to operate the business, the impact of technology changes on the industry, competition, security threats including stolen bitcoins from DMG or its customers, consumer sentiment towards DMG's products, services and blockchain technology generally, failure to develop new and innovative products, litigation, increase in operating costs, increase in equipment and labor costs, failure of counterparties to perform their contractual obligations, government regulations, loss of key employees and consultants, and general economic, market or business conditions. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The reader is cautioned not to place undue reliance on any forward-looking information. The forward-looking statements contained in this news release are made as of the date of this news release. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additionally, the Company undertakes no obligation to comment on the expectations of, or statements made by third parties in respect of the matters discussed above.

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