

Form 51-102F3
Material Change Report

- Item 1** **Name and Address of Company**
DMG Blockchain Solutions Inc. (the “Company”)
795 Hwy 395
Christina Lake, BC V0H 1E0
- Item 2** **Date of Material Change**
August 22, 2022
- Item 3** **News Release**
The news release was disseminated through a newswire service on August 22, 2022 and filed on SEDAR on August 23, 2022.
- Item 4** **Summary of Material Change**
On August 22, 2022, the Company announced that John D. (J.D.) Abouchar has been appointed as a new independent Board Director and member of the Audit Committee and that independent Board Director, Nick Seto has resigned.
- Item 5** **Full Description of Material Change**
- Item 5.1** **Full Description of Material Change**
Please see the attached news release dated August 22, 2022.
- Item 5.2** **Disclosure for Restructuring Transactions**
Not applicable.
- Item 6** **Reliance on subsection 7.1(2) of National Instrument 51-102**
Not applicable.
- Item 7** **Omitted Information**
Not applicable.
- Item 8** **Executive Officer**
Sheldon Bennett, Chief Executive Officer
Telephone: 604-710-7269
- Item 9** **Date of Report**
August 23, 2022

DMG Announces Change of Directors

News Release - VANCOUVER, British Columbia, August 22nd, 2022 (GLOBE NEWSWIRE) -- DMG Blockchain Solutions Inc. (TSX-V: DMGI) (OTCQB US: DMGGF) (FRANKFURT: 6AX) ("DMG" or the "Company"), a vertically integrated blockchain and cryptocurrency technology company, announces John D. (J.D.) Abouchar has been appointed as a new independent Board Director and member of the Audit Committee.

DMG also announces that independent Board Director, Nick Seto has resigned, effective August 22, 2022. Mr. Seto has served on DMG's board for three years and has stepped into a new consulting role for DMG. We thank him for his service since DMG's early days of mining.

Mr. Abouchar brings a wealth of experience to the DMG board. He is the founder and managing partner of Glass Creek Partners, Inc., an investment and consulting firm focusing on publicly listed emerging technology companies. Mr. Abouchar has significant capital markets experience over the past 30 years as a portfolio manager, technology equity research analyst and board member of several U.S. publicly listed companies. Recently, he was Chairman of the Board of Cynergistek (AMEX: CTEK), a cybersecurity firm, for which he was instrumental in re-incorporating the company and uplisting it to a major US exchange. He holds a B.S. in Economics from the Wharton School at the University of Pennsylvania.

In addition to joining the Audit Committee, J.D. will be focused on corporate governance and shareholder engagement. "As we responsibly and profitably grow DMG and enter our next stage of development, J.D. will help us to target a wider pool of institutional investors, lend his capital markets experience with investment banks and US securities exchanges and further develop our corporate governance and shareholder outreach," stated CEO Sheldon Bennett.

"Sheldon and the team at DMG have done an admirable job in founding and growing the business into the enterprise it is today" added Mr. Abouchar. "I am honored to be joining the board and look forward to bringing my experience with business development and strategic planning to accelerate the exciting work DMG is doing in the rapidly evolving blockchain technology industry. My goal is to help management engage shareholders, evaluate uplisting opportunities, attract analyst coverage and work with the team to maximize shareholder value."

Grant of Stock Options

Board Directors, Mr. J.D. Abouchar and Mr. Kelly Allin, have been each awarded 200,000 stock options, exercisable at a price of \$0.33 per share for a period of five years from the date of grant.

About DMG Blockchain Solutions Inc.

DMG is an environmentally friendly vertically integrated blockchain and cryptocurrency company that manages, operates, and develops end-to-end digital solutions to monetize the blockchain ecosystem. DMG's sustainable businesses are segmented into two business lines under the Core and Core+ strategies and unified through DMG's vertical integration.

Future changes in the Bitcoin network-wide mining difficulty rate or Bitcoin hashrate may materially affect the future performance of DMG's production of Bitcoin, and future operating results could also be materially affected by the price of Bitcoin and an increase in hashrate mining difficulty.

For more information on DMG Blockchain Solutions visit: www.dmgblockchain.com

Follow [@dmgblockchain on Twitter](https://twitter.com/dmgblockchain) and subscribe to [DMG's YouTube channel](#).

On behalf of the Board of Directors,

Sheldon Bennett, CEO and Director

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Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

Cautionary Note Regarding Forward-Looking Information

This news release contains forward-looking information or statements based on current expectations. Forward-looking statements contained in this news release include statements regarding the targeting of a wider pool of institutional investors, and further develop corporate governance and shareholder outreach, potential uplisting opportunities and attracting analyst coverage, 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, market and other conditions, volatility in the trading price of the common shares of the Company, 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 and services; 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 and services, 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 secure sufficient capital to complete its business plans, 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. For further information concerning these and other risks and uncertainties, refer to the Company's filings on

www.SEDAR.com. In addition, DMG's past financial performance may not be a reliable indicator of future performance.

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, adverse weather and climate events, failure to obtain any permits required to operate the business, the impact of technology changes on the industry, the impact of COVID-19 or other viruses and diseases on the Company's ability to operate, secure equipment, and hire personnel, 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, decrease in the price of Bitcoin, 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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