



DMG Blockchain Solutions Provides Mining, Petra Updates; COO Makes Open Market Share Purchase

VANCOUVER, British Columbia, Dec. 23, 2022 -- DMG Blockchain Solutions Inc. (TSX-V: DMGI) (OTCQB: DMGGF) (FSE: 6AX) ("DMG" or the "Company"), a vertically integrated blockchain and cryptocurrency technology company, announces it has received the majority of the equipment it has ordered from Bitmain: 785 PH/s of the S19j Pro model and 210 PH/s of S19 XP model enabling nearly 1 EH/s of mining capacity. DMG expects to achieve more than 1 EH/s early in 2023 when it receives its remaining batch – 42 PH/s of the S19 XP. The company also plans to order additional miners based on its accumulated credit with Bitmain as well as make opportunistic miner purchases in the open market.

In addition, DMG has made significant progress upgrading its Terra Pool software and expects to run its first Petra transactions through Terra Pool on the Bitcoin main-net early in 2023. Petra will enable the movement of bitcoin using carbon neutral energy sources and work in concert with its Walletscore technology, which screens out transactions with wallet addresses that have been blacklisted by the US Department of Treasury's OFAC (Office of Foreign Assets Control).

DMG's CEO Sheldon Bennett commented, "With Petra and Walletscore deployed together, we remain optimistic that DMG can enable bitcoin transactions to happen in a carbon neutral manner ahead of likely tightened regulations in the wake of the FTX fallout."

COO Purchases Company Shares

The company also announces that Steven Eliscu, DMG's COO, recently purchased 100,000 of DMG shares in an open market purchase.

"As we are executing on our goals to build out a Core of leading-edge bitcoin mining infrastructure along with an ecosystem of software and services for monetizing bitcoin transactions, which we call Core+, I affirm my belief that DMG has the potential to create significant value," Mr. Eliscu added.

Grant of Stock Options

DMG also announces it has granted 914,800 stock options ("Options") to employees and directors of the Company. The Options are exercisable for a period of five years at a price of \$0.18 per share and will vest as to 25% on each of the six-, 12-, 18- and 24-month anniversaries of the grant date.

About Terra Pool

Terra Pool is a cryptocurrency mining platform operated by DMG's Blockseer software company. Terra Pool is the world's first Bitcoin mining pool focused on clean energy. The purpose of this initiative is to accelerate the shift from conventional power to clean energy and reduce the impact of Bitcoin mining on the environment. Terra Pool aggregates the computing power of individual miners and then shares the received rewards and transaction fees proportionally among them so that miners are rewarded more consistently.

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](https://www.youtube.com/channel/UC...).

On behalf of the Board of Directors,

Sheldon Bennett, CEO and Director

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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 growth and expectations of the Terra Pool as well as its Petra and Walletscore technologies, developing and executing on the Company's products and services, the increase in Bitcoin self-mining and achieving its target of 1 EH/s, the expected arrival of new miners and the increased hashrate once the miners are installed and operating, the launch of products and services, 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 bitcoin; security threats, including a loss/theft of DMG's bitcoin; 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 bitcoin 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.