DMG Blockchain Expands into Silicon Valley with Acquisition of Industry Leading Crypto-Analytics and A.I. Leader, Blockseer

Artificial Intelligence meets Blockchain backed by strong IP

Key Highlights

- Blockseer has an expanding team of blockchain, AI, and data scientists based in Silicon Valley
- Customer base has included Bitstamp, Intuit, and Blockchain.info, one of the world's largest cryptocurrency wallet providers
- Acquisition vaults DMG to leadership position in Blockchain Forensics - users include US Secret Service, FBI, IRS
- Influential shareholders that include Charlie Lee, the founder of Litecoin

Vancouver, B.C. – March 7, 2018 – DMG Blockchain Solutions Inc. (TSX-V: DMGI) ("**DMG**" or the "**Company**") is pleased to announce the formal closing of the previously announced acquisition of Datient Inc., doing business as "Blockseer" (the "**Transaction**").

The combined DMG - Blockseer alliance represents a strong competitive advantage in providing leading cryptocurrency forensics and proprietary real-time risk scoring for compliance and anti-money laundering (AML). Additionally, Blockseer's blockchain and data analytics expertise provides the capabilities to uniquely offer class-leading enterprise solutions with a natural convergence of Blockchain and artificial intelligence technologies - data is the asset, which can be tracked and monetized utilizing blockchain technology.

Blockseer is a blockchain and artificial intelligence company headquartered in Silicon Valley, California. Blockseer has worked with several law enforcement agencies including the U.S. Secret Service, Federal Bureau of Investigation, and the Internal Revenue Service, and it also provides Ethereum blockchain data services for Blockchain.info, one of the world's largest cryptocurrency wallet providers. Blockseer provides data analytics and incorporates artificial intelligence to provide insight into what is happening with digital currencies and blockchains.

Blockseer's intellectual property (IP) includes two (2) United States provisional patents: (a) Providing Data Provenance, Permissioning, Compliance, and Access Control for Data Storage Systems Using an

Immutable Ledger Overlay Network; and (b) Off Network Identity Tracking in Anonymous Cryptocurrency Exchange Networks.

Blockseer's current team comes from Stanford, Harvard, University of Chicago, Carnegie Mellon and Columbia with deep experience in artificial intelligence, big data, and blockchain and is led by its Chief Executive Officer and founder, Danny Yang. Its advisors include Andreas Weigend, Bill Tai, Stephen Sorkin, Vas Bhandarkar, Phil Porras, and Brian Klein, and its influential shareholders include Charlie Lee, the founder of Litecoin.

"To date, DMG has received recognition as a market leader in the crypto mining space, and now with the Blockseer acquisition, DMG can claim leadership in the blockchain development arena and deliver on its commitment to be a diversified blockchain company. Blockseer is not a single blockchain application, but a blockchain development engine for multiple applications with well-known global customers. We believe that the Blockseer team is amongst the most talented in the industry today, and we welcome Dr. Danny Yang and the Silicon Valley team to DMG," said Daniel Reitzik, CEO and Director of DMG.

Chris Filiatrault, DMG's Chairman and Founder added, "Japan remains the largest crypto market in the world, and very few non-Japanese companies have been successful. With the Blockseer product line, and the DMG presence in the market today, Japan represents a massive opportunity for our stakeholders. We have already planned a visit for Dr. Danny Yang to visit Japan and look forward to sharing our progress in short order."

Terms of the Transaction

Under the terms of the Transaction, DMG, through its U.S. subsidiary ("**DMG-US**"), acquired Blockseer for a purchase price comprising C$2,630,769 in cash and 7,673,076 common shares of DMG (the "**Transaction Shares**").

The Transaction Shares issued to the former Blockseer securities holders will be subject to vesting with such shares vesting ratably on a calendar quarterly basis over a two-year period following the Closing (the "**Trading Restrictions**").

Following the Transaction, DMG-US will own 100% of Blockseer, with DMG-US shares being owned approximately 61% by DMG and approximately 39% by the selling securityholders of Blockseer.

Upon completion of the Trading Restrictions, each individual holder of the DMG-US shall have the option to exchange such shares at the election of the holder 1-for-1 for DMG common shares, which will be fully tradable subject to the regulations of the TSX Venture Exchange. Additionally, in the event that upon completion of the Trading Restrictions, the per share price of DMG's common shares is greater than C$0.40 (as adjusted for stock splits and consolidations), then DMG, at its sole election, shall have the option to exchange all of the shares of DMG-US held by the former security holders of Blockseer 1-for-1 for common shares of DMG, which will be fully tradable shares in accordance with the policies of the TSX Venture Exchange.

About DMG

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 intends to be the global leader in bitcoin mining hosting - Mining as a Service (MaaS), bitcoin mining, blockchain forensics/analytics, and blockchain platform development.

On behalf of the Board of Directors,

Daniel Reitzik, CEO & Director

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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, 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 the 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.

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.