DMG Increases Mining Capacity and Secures Equipment Financing

Highlights:

- DMG has ordered new mining equipment which will add 22 Petahash of self-mining, an increase of approximately 50% over current self-mining
- An existing alt-coin DMG hosting client has added to its mining fleet with DMG with 23 Petahash of new Bitcoin mining equipment
- DMG receives specific crypto equipment financing for its purchase of additional miners in order to conserve cash and scale operations

VANCOUVER, British Columbia, April 7, 2020 — 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 an increase in both self-mining and hosted mining with the latest generation ASIC technology.

Sheldon Bennett, DMG's COO commented, "DMG has been testing the latest models of ASIC miners from various manufacturers and, based on capital cost, energy consumption, and mining efficiency, the Company has chosen to begin deployment of additional M30 miners manufactured by MicroBT. The M30s generate 88 TH/s of compute power with an energy consumption of 3,344 watts. We expect the M30 to be profitable for at least 36 months based on the current bitcoin price and forecasted network hash rate changes during this period, including the May 2020 Bitcoin reward halving, as well as DMG's access to low cost power via our 85MW substation. One of our existing alt-coin clients has also added 23 Petahash of Bitcoin miners for hosting at DMG's facility. We expect receipt of shipments of all new miners as well as their energization by the end of this month."

Dan Reitzik, DMG CEO, added "DMG successfully negotiated third party financing for this recent purchase, believed to be one of the first instances of specific crypto equipment financing in the industry. This deployment of capital represents only 20% of the total amount offered to DMG under this non-dilutive debt financing. DMG invested substantial capital in building its state-of-the-art mining facility and related power infrastructure, and the Company's ability to begin filling the facility with the most cost efficient mining technologies is no longer reliant on raising additional capital, but instead via equipment financing instruments.

One of the reasons Bitcoin was created was to combat increasing inflation driven by issuing more and more fiat currency. Bitcoin is by its very nature, deflationary, and with the world's current challenges and substantially increased printing of money, we see a tremendous upside opportunity for bitcoin price increases in both the near and long term.

The Company also announces that Adrian Glover has been promoted to Chief Technology Officer("CTO") for the Company. Adrian has spent the past 2 years initially managing the mining facility's technology infrastructure, and subsequently leading the software team on the Blockseer, Walletscore and Mine Manager software products.

DMG's new CTO, Adrian Glover commented "I jumped at the opportunity to join DMG two years ago as I believed in the potential of DMG to be an industry leader in the cryptocurrency space. Today I'm just as excited about the prospects we have, both as a mining company, and as a software company focusing on the cryptocurrency mining, software and services space."

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 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

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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, 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.