DMG Blockchain Solutions Announces Additional Partnership with Malahat Nation to Establish Indigenous-Led Regulated Utility for Clean Energy and AI Infrastructure

VANCOUVER, British Columbia, Oct. 28, 2025 -- DMG Blockchain Solutions Inc. (TSX-V: DMGI) (OTCQB US: DMGGF) (FRANKFURT: 6AX) (“DMG”), a leading vertically integrated blockchain and data center technology company, announces the signing of a second Memorandum of Understanding (“MOU”) with Malahat Nation’s Economic Development Corporation (“YOS”) stating the intent to create the Malahat-DMG Utility Limited Partnership (MDULP) — a Malahat majority-owned private and regulated utility that will provide electricity and natural gas to emerging clean technology and digital infrastructure projects on Malahat lands.

This builds on a prior 2024 MOU with YOS outlining the intent to develop a total of 30 megawatts of sovereign artificial intelligence (AI) data centers, evenly split between the two parties to co-develop Canada’s first Indigenous-led AI data centers. Both MOUs are expected to result in definitive agreements, which, in tandem, would create the utility that, in turn, powers the AI data center facility and all community infrastructure located on Malahat Nation lands near Mill Bay, BC. This agreement would represent a first-of-its-kind Indigenous-led regulated utility in British Columbia and a significant milestone in the development of Canada’s first Indigenous-led AI data center campus.

Under the MOU, Malahat and DMG will jointly develop and operate new energy infrastructure, including substation upgrades, BC Hydro utility interconnections, and future natural gas distribution rights in partnership with FortisBC. The initiative will provide stable, sustainable, and sovereign power to support AI computing, renewable energy, and industrial development on Malahat lands. Further information will be provided, if and when, the parties enter into definitive agreements.

Empowering Indigenous Energy Sovereignty

The partnership reflects the shared vision of both organizations: combining Malahat Nation’s leadership in Indigenous economic development with DMG’s expertise in power infrastructure, high-performance computing (HPC), and data center design. The collaboration will enable long-term job creation, training programs, and cultural investments for Malahat members while building the foundation for a new era of Indigenous-owned clean energy systems.

Gordon Harry, Chief of Malahat Nation, said, “This partnership is about more than infrastructure — it’s about sovereignty. By developing our own regulated utility, Malahat Nation is taking control of its energy future, ensuring that growth on our lands aligns with our environmental values and creates opportunities for our people.”

Sheldon Bennett, CEO of DMG Blockchain Solutions, added, “We’re honoured to work alongside Malahat Nation to design and deploy a Canadian Indigenous-led regulated utility. This partnership demonstrates how clean energy generation, digital infrastructure, and reconciliation can move forward together.”

Grant of Stock Options and RSUs

DMG announces the granting of stock options and RSUs to employees and directors of the Company. A total of 188,170 stock options (“Options”) and 1,250,000 restricted stock units (“RSUs”) have been granted. The Options are exercisable over five years at a price of $0.53 per share, with vesting in 25% increments on the six-, 12-, 18-, and 24-month anniversaries of the grant date. The RSUs vest in one year; these grants are designed to create an incentive structure that aligns longer-term performance with the Company's growth.

About The Malahat Nation

The Malahat Nation is a proud Coast Salish Indigenous community. We are situated between Victoria and Mill Bay, British Columbia, Canada, with reserve lands located on the western shore of Saanich Inlet, nestled beneath Yos mountain, commonly known as The Malahat, one of the most sacred sites on southern Vancouver Island.

The economic development corporation of Malahat Nation seeks business opportunities that align with Malahat laws and values. YOS’s mission is to support the growth of business and employment opportunities for members of Malahat and to support learning, family, health, culture and traditions while looking after the lands and resources of Malahat, to make a better world for future generations.

About DMG Blockchain Solutions Inc.

DMG is a sustainable, vertically integrated blockchain and data center technology company that develops, manages, and operates comprehensive platform solutions to monetize the blockchain ecosystem. The company’s operations are driven by two strategic pillars: Core and Core+, both unified by DMG’s commitment to vertical integration and environmentally responsible practices. DMG’s subsidiary Systemic Trust Corporation is focused on custody of digital assets.

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

Follow @dmgblockchain on Twitter and subscribe to DMG's YouTube channel.

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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 presenting at upcoming conferences, DMG's strategies and plans, developing and executing on the Company's products and services, working towards definitive agreements with the Malahat Nation that support both AI and the power generation to energize that AI and the expected outcomes and benefits from this transaction and relationship, the opportunity and plans to monetize bitcoin transactions and provide additional products and services to customers and users, the continued investment in Bitcoin network software infrastructure and applications, the expected allocation of capital, developing and executing on the Company's products and services, increasing self-mining, increasing hashrate, efforts to improve the operation of its mining fleet, 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.

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.

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; the demand and pricing of bitcoin; the demand and pricing of AI data centers and usage; 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, 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.sedarplus.ca. 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 and/or infrastructure 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, the impact of 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 and AI technology generally, failure to develop new and innovative products, litigation, adverse weather or climate events, increase in operating costs, increase in equipment and labor costs, equipment failures, 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.