DMG Blockchain Solutions Inc. Announces 50-Megawatt AI Data Center Letter of Intent

written by Raj Shah | June 1, 2026

June 01, 2026 (Source) – DMG Blockchain Solutions Inc. (TSX-V: DMGI) (OTCQB: DMGGF) (FRANKFURT: 6AX) (**"DMG**" or the "**Company**"), a vertically integrated digital asset and data center technology company, announces it has signed a letter of intent (the "**LOI**") to offer 50 megawatts critical IT load of artificial intelligence (AI) data center colocation services to a single tenant ("**Tenant**") at its Christina Lake, British Columbia facility. The Tenant, who is under a non-disclosure agreement ("**NDA**") at this time, will be providing DMG with an investment grade backstop to review. The Company and the Tenant are working towards a definitive agreement (the "**Definitive Agreement**"), but there is no guarantee the parties will reach such agreement.

The initial term of the Definitive Agreement is 12 years with the right to renew it for up to three (3) periods of five (5) years. Pursuant to the LOI, the Company will deliver colocation capacity to the Tenant in phases with the goal of delivering the first phase by December 31, 2026.

The LOI specifies Monthly Recurring Charges and Annual Escalations that reflect current market rates for AI colocation. As previously disclosed, DMG will seek to utilize debt as the primary method of financing to meet the needed capital requirements if a Definitive Agreement is concluded.

The LOI further stipulates that commencing on the date of the LOI and for a period of twelve (12) months thereafter the right of first refusal ("**ROFR Term**"), in the event that the Company intends to accept an offer from a different third party, the Tenant shall have seven (7) business days from the offer notification to exercise the ROFR. Outside of the ROFR Term, NDA and non-circumvent conditions, this LOI is non-binding. The proposed transaction is at arm’s length.

During this time period, the Company will continue to operate its Christina Lake facility primarily as a Bitcoin mining operation. If the Definitive Agreement is entered into by the parties, then the Company will transition the facility to an AI data center to provide the colocation services to the Tenant.

If and when the Definitive Agreement is executed in connection with the proposed transaction, the Company will issue a more comprehensive news release disclosing further details of the proposed transaction. There is no assurance that the Definitive Agreement will be successfully negotiated or executed by the parties.

About DMG Blockchain Solutions Inc.

DMG is a sustainable, vertically integrated digital asset and data center technology company that develops, manages, and operates comprehensive platform solutions to monetize the blockchain and artificial intelligence (AI) ecosystems. The Company’s operations are driven by two strategic pillars: Data Center Infrastructure (Core) and Digital Asset Software and Services (Core+). DMG is expanding its platform to include AI and sovereign compute solutions, supporting government, enterprise and research organizations across Canada.

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

Follow @dmgblockchain on X, LinkedIn, Facebook 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 the terms of an AI data center colocation letter of intent and definitive agreement, the intention of the Company to enter into the Definitive Agreement with the Tenant, the Company's strategy for growth, the planned monetization of certain product and service offerings, developing and executing on the Company's products, services and business plans, 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.

Completion of the proposed transaction is subject to a number of conditions, including entering into the Definitive Agreement.

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 forward-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 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.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, lack of demand for the Company’s products and services, 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.