# DMG Blockchain Solutions Provides Update on its Christina Lake AI Data Center Conversion

written by Raj Shah | September 14, 2026

September 14, 2026 (Source) — DMG Blockchain Solutions Inc. (TSX-V: DMGI) (OTCQB US: DMGGF) (FRANKFURT: 6AX) ("DMG"), a vertically integrated data center and digital assets technology company, today provides an update on the conversion of its Christina Lake, British Columbia data center facility to offer artificial intelligence (AI) colocation services. DMG continues to work towards a definitive agreement on its letter of intent for 50 megawatts of critical IT load AI colocation services. DMG is making progress on the execution portion of the project, which is integral to confirming the construction timeline and operational commitment that is part of the definitive agreement. If and when the definitive agreement is executed in connection with the proposed AI colocation services transaction, DMG will issue a more comprehensive news release disclosing further details of the proposed transaction.

**Current update highlights are:**

- **Power**: seventy-five megawatts confirmed — DMG has completed the contract for an additional 10 megawatts of non-firm power. In total, DMG has 60 megawatts of non-firm power along with 15 megawatts of firm power, totaling 75 megawatts. Our Christina Lake substation, which is DMG-owned, already supports the full 75 megawatt load. DMG is now investigating twinning the main transformer for future expansion and redundancy.

  - **Potential for greater than 50 megawatts of critical IT load** – we believe we may be able to support greater than 50 megawatts, as our 75 megawatts of total power allows for a worst case power usage effectiveness (PUE) of 1.5. Christina Lake weather conditions, a new generation of servers and the ability to leverage alternative energy sources for chillers all potentially allow us to raise the amount of critical IT load from 50 megawatts.
  - **Future: Up to 150 megawatts of firm power** – previously, DMG disclosed it has submitted an application with our utility for 150 megawatts of firm power, which is likely to involve a significant capital expense. Subsequent to executing our definitive agreement, we expect to move this process forward. We may be able to combine this firm power with our 60 megawatts of non-firm power depending on our utility’s transmission capacity.

- **Site Progress** : DMG has accelerated its efforts on design-build and contractors.
  - **General contractor (GC)** – we plan to utilize a GC and are in the latter stages of selecting one with data center experience.
  - **Design engineering firms** – we plan to utilize the electrical engineering firm that we have worked with for the past decade. We have already selected an architectural firm, which has supported us with the permit for our building extension. For mechanical engineering, we are currently deciding among several candidates, all of which have deep cooling systems knowledge with a strong base in British Columbia.
  - **Tradesmen** – the British Columbia lower interior

region where we are located has a good supply of tradesmen. We have secured a few electrical firms as a start, and we know we will need more. In addition, we will look to balance the amount of labor that is incorporated into prefabbed assemblies versus building on-site so as to optimize lead-time, assembly time and cost.

  - **Connectivity** – we have contracted with two telecom providers for two diverse paths of 100 Gbps fiber to our facility, and we are evaluating a possible third line. These lines may be upgraded to 400 Gbps in the future. Given the remoteness of our site, connectivity has been one of our bigger long lead-time concerns and is an area where we have committed material capital expenditures ahead of a definitive agreement.

- **Site Location:** DMG continues working with the local and regional authorities.
  - **Permitting** – DMG has applied for a permit to construct an addition to our current building, which would approximately double its capacity to support as much as 60 megawatts of critical IT load.
  - **Zoning** – For many years, DMG has operated in an approved data center-zoned location.
  - **Community relations** – while we have encountered opposition from a few members of the local community, who were also opposed to DMG in the past as a crypto miner, we have been open and cooperative. We have emphasized that our project will not negatively impact utility rates, while using less water and generating less noise than Bitcoin mining.

- **Timeline: Goal to have tenant servers operating by the end of the year** – this was always communicated on a commercially reasonable efforts basis and was predicated in part on quickly reaching a definitive agreement. As we are now in September, we are realistically looking towards a 2027 energization schedule for tenant servers.

In terms of financing this project, DMG is exploring through discussions with multiple financial institutions, a range of instruments, including rated bonds, lines of credit and equity/convertible debt. Our goal is to optimize for cost of capital, flexibility and speed while minimizing dilution. We will update the market if and when terms are finalized.

DMG's CEO, Sheldon Bennett, commented, "We are pleased with our continued progress towards our goal of converting our Christina Lake facility to an AI data center to offer colocation services to a long-term tenant. Concurrently, we are laying the track for future sites, as we believe DMG can become a leader in Canada for offering AI data center colocation services, given our experience working with utilities and connecting to large amounts of power as well as our early position to build a major AI data center site."

There is no assurance that the AI colocation services definitive agreement will be successfully negotiated or executed by the parties. In addition, the conversion of the Christina Lake, British Columbia data center facility to offer artificial intelligence (AI) colocation services is subject to several conditions, including but not limited to, financing, permitting and entering into agreements with counterparties that are necessary to complete the conversion of the Bitcoin data center to an AI colocation data center.

**DMG Management at H.C. Wainwright Global Investment Conference**

Company management will present at the H.C. Wainwright 28th Annual Global Investment Conference, September 14-16, at the Lotte New York Palace in New York City. The company's presentation is scheduled for Tuesday, September 15, at 9:00 AM ET.

**About DMG Blockchain Solutions Inc.**

DMG is a sustainable, vertically integrated data center and digital asset technology company that develops, manages and operates comprehensive platform solutions to monetize the artificial intelligence (AI) and blockchain 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 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 potential AI opportunities, the Company's plan to convert its Christina Lake data center into an AI data center and the expected timelines, entering into a definitive agreement with a potential tenant to offer 50 megawatts of AI data center colocation services at the Christina Lake facility, 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 AI and blockchain 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.