

# DMG Blockchain's Next Act: From 'Green Bitcoin' to Sovereign AI, Guided by Crypto Godfather Sheldon Bennett

written by Tracy Hughes | May 22, 2025

A quarter-century after first drilling into the seams of digital gold, Sheldon Bennett still walks the crypto beat with a prospector's instinct and a Big Four accountant's discipline. Often described by peers as one of the *Godfathers of Cryptocurrency* for his early industrial-scale mining work at BitFury and his evangelism of "clean Bitcoin," Bennett now presides over [DMG Blockchain Solutions Inc.](#) (TSXV: DMGI | OTCQB: DMGGF | Frankfurt: 6AX), the vertically integrated miner-cum-infrastructure house he co-founded in 2017. His résumé—PwC and EY audits, Baker McKenzie restructurings, Cisco systems rollouts, and a Canadian tour managing Fonterra's European arm—reads less like a tech founder's playbook than a lesson in corporate triage, a skill increasingly useful as crypto collides with mainstream capital markets.

## Numbers First, Vision Second

DMG's fiscal second-quarter [scorecard](#), released late Wednesday, shows revenue of **C\$12.6 million**, up 26% year-on-year, even as network difficulty clipped quarterly production to **91 bitcoin**—six fewer than the prior quarter. Average hashrate rose 8% sequentially to **1.76 EH/s**, and cash plus digital assets closed at **C\$61.9 million**. The bottom line, however, remained in the red at **-C\$0.02 a share**, as DMG deliberately stockpiled coins, mining **C\$7.1 million** more bitcoin than it sold.

Bennett argues that hoarding makes sense while hash power is scaling and spot prices flirt with US\$70,000: “Having a strong cash balance gives us the flexibility to accumulate bitcoin while also making strategic investments to grow our hashrate,” he told analysts. Investors can quiz him directly at **4:30 PM EST today**, when management hosts its results [teleconference](#); questions submitted before 2 PM will make it into the queue...am contemplating mine as we speak...

## The ESG Credo Still Pays Dividends

Bennett’s claim to crypto sainthood rests partly on **Terra Pool**, the world’s first bitcoin pool powered solely by renewable energy, launched with London-listed Argo Blockchain in 2021. The pool’s hydroelectric backbone helped DMG court institutions shy of “dirty” coins and positioned the company as an ESG bellwether long before miners began publishing carbon audits.

That early bet on green credibility now underpins DMG’s **Systemic Trust** custody platform, designed to move bitcoin in a fully compliant, low-carbon framework. The subsidiary is chasing trust-company licensing this year, with Bennett chairing the board and former Fidelity and Binance Canada executives steering operations. Investors should watch that unit for fee-based revenue that isn’t hostage to hash rate.

## Pivoting the Power Plant to Artificial Intelligence

Crypto’s cyclical heartbeats rarely align with grid economics, so Bennett is hedging. Last month DMG signed a [deal](#) for **two megawatts** of prefabricated data-centre modules—the first slice of a potential **10 MW** build—to service *sovereign AI* workloads for Canadian government and enterprise clients. Funding came largely

from trimming the company's bitcoin treasury to **351 BTC**, and the move dovetails with Ottawa's push for domestic AI compute as geopolitical frictions choke cross-border data flows.

The company expects off-take agreements within 180 days, a step that would enable non-dilutive financing for the larger build-out. If successful, DMG could morph from pure-play miner into a diversified digital-infrastructure platform—a path not unlike the cloud pivot once undertaken by Grubbs-era Dell or IBM's services renaissance.

## Risks the Godfather Can't Ignore

To be sure, Bennett's empire runs on electricity prices as volatile as the asset he mines. Operating expenses jumped **45%** in Q2, led by a **C\$1.8 million** surge in utilities. And while bitcoin's four-year halving cycle keeps hashrate arms races in check, the next difficulty spike could squeeze margins before AI revenues hit scale. Still, DMG's net assets rose **9%** year-over-year to **C\$129.5 million**, giving Bennett dry powder to ride out the turbulence.

## Why Today's Call Matters

The market will parse three themes on this afternoon's line:

1. **Hashrate Guidance:** Can DMG breach the 2.1 EH/s ceiling without throttling miners during British Columbia's summer heat?
2. **AI Timetable:** How soon will sovereign-cloud clients sign firm off-takes, and what capex cadence follows?
3. **Systemic Trust Monetization:** When does the custody platform flip from spend line to revenue engine?

Bennett, ever the operator, has rarely shied from granular detail—one reason early followers still affix the “Godfather” sobriquet. Whether that gravitas can usher DMG through its AI pivot will shape more than today’s tape action; it could redefine how Canada monetizes both electrons and algorithms in the post-crypto era.

For now, shareholders get their chance to grill the man himself. And if history is precedent, Sheldon Bennett will answer with the same mix of an accountant’s precision and miner’s bravado that made him an architect of cryptocurrency’s first industrial revolution.