

## **NEWS >**

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### **DEER HORN METALS INCREASES FINANCING AND CANCELS MOU**

**Delta, British Columbia May 1 2012** – - Deer Horn Metals (“DHM” or “Deer Horn”) would like to inform its shareholders that it has cancelled its Memorandum of Understanding (MOU) with World Industrial Minerals (WIM). The MOU was signed in March 2010 and allowed WIM to have the first right of refusal for the purchase of tellurium at the Deer Horn property. Management believes that the cancelling of the MOU provides the company greater flexibility in advancing our near surface high grade Au/Ag/Te resource.

Tony Fogarassy Deer Horn’s chairman recently attended a minor metals conference in Cologne Germany. The interest level in Tellurium at the conference was very encouraging. The level of interest is attributed to the fact that Deer Horn metals (DHM: V) is the first company to have an NI 43-101 resource calculation for Tellurium. Tellurium continues to play a vital role in industries such as solar panels and electronics.

Deer Horn Metals Inc. is also pleased to announce that it has increased its previously announced non-brokered Private Placement. The new units will consist of up to 7,000,000 units of the Corporation (the “Units”) at a price of \$0.10 per Unit for gross proceeds of up to \$700,000. Each Unit shall consist of one Common Share and one share purchase warrant (the “Warrant”), Each Warrant entitles the holder thereof to purchase one additional common share (the “Warrant Shares”) of the Company at a price from the date of issuance at \$0.14 cents per share during the first year and at a price of \$0.17 per share in the second year. The proceeds of the financing will be used for general working capital.

The Corporation may pay a finder’s fee to certain introducing parties in respect of the Private Placement, subject to compliance with applicable securities legislation and TSX Venture policies. The Private Placement is subject to the approval of the TSX Venture Exchange Inc.

On behalf of the board of directors of  
Deer Horn Metals Inc.  
*(signed) "Tyronne Docherty"*  
President and CEO

For further information please contact:

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### **Forward Looking Information**

*Certain information regarding the Company set forth in this press release, including the use of proceeds, and management's assessment of the Company's future plans and operations contain forward looking information that involve substantial known and unknown risks and uncertainties. The forward looking information is subject to numerous risks and uncertainties, some of which are beyond the Company's and management's control, including but not limited to, the impact of general economic conditions, industry conditions, fluctuation of commodity prices, fluctuation of foreign exchange rates, imperfection of reserve estimates, environmental risks, industry competition, availability of qualified personnel and management, stock market volatility, timely and cost effective access to sufficient capital from internal and external sources. The Company's actual results, performance or achievement could differ materially from those expressed in or implied by, the forward looking information and accordingly, no assurance can be given that any of the events anticipated to occur or transpire from the forward looking information will provide any benefits to the Company.*

*"Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release."*