



The following discussion and analysis of the operations, results and financial position of Deer Horn Metals Inc. (formerly Golden Odyssey Mining Inc.) (the “Company”) for the six months ended January 31, 2014 should be read in conjunction with the unaudited financial statements for the six months ended January 31, 2014 and the audited annual financial statements for the year ended July 31, 2013, which can be found on SEDAR at www.sedar.com.

This Management Discussion and Analysis (“MD&A”) is dated March 31, 2014 and discloses specified information up to that date. The Company is classified as a “venture issuer” for the purposes of National Instrument 51-102. The Company’s financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) in Canada. Unless otherwise cited, references to dollar amounts are in Canadian dollars.

The Company is a reporting issuer in each of the provinces of British Columbia and Alberta. Its head office is located at Suite 140 – 1440 Garden Place, Delta, BC, Canada, V2M 3Z2. Its registered records office is located at Suite 1100 - 736 Granville Street, Vancouver, BC, V67 IG3.

We recommend that readers consult the “Cautionary Statement” on the last page of this report.

Description of Business

The Company was incorporated under the Canada Business Corporations Act on April 16, 2004 under the name “Golden Odyssey Mining Inc.” On January 20, 2011, shareholders of the Company approved a name change and it commenced trading as Deer Horn Metals Inc. on January 27, 2011. The Company’s strategy is to identify, acquire, explore and develop precious and base metal deposits amenable to low production costs and high operating margins, focusing on properties with low initial entry costs.

Overall Performance and Outlook

Since the year ended July 31, 2008, the Company underwent a significant change in management and direction. The Company no longer focuses on gold properties in the state of Nevada and, effective July 31, 2008, relinquished all property interests in the state of Nevada and closed its Reno, Nevada-based office. During the fiscal year ended July 31, 2012, the Company dissolved its wholly-owned subsidiary, Golden Odyssey Exploration Inc., a company incorporated in the State of Nevada, United States of America. The Company relocated its head-office to Delta, British Columbia, Canada and focused on opportunities in Canada to acquire interests in precious and base metal properties. The Company entered into an option agreement to acquire an interest in the Deerhorn property, located in British Columbia, Canada, in August 2009. The Company continues to seek and evaluate opportunities to participate in similar projects.

Company Activity

During the six months ended January 31, 2014, the Company completed a non-brokered private placement of 50,000,000 common shares for aggregate proceeds of \$250,000.

Deer Horn

In August 2009, the Company entered into an option agreement with a company related by virtue of common directors, to acquire an initial 50% interest in the Deerhorn property, located in north western British Columbia.

To acquire its interest, the Company was required to incur \$5,000,000 in exploration expenditures.



Guardsmen Resources Inc. (the "Optionor") has acknowledged that the required expenditures have been expended and that the Company has earned its initial 50% interest in the property. It may acquire an additional 25% interest by incurring all costs required to bring the property to commercial production.

The Company's 2011 work program included 60 holes totalling 2,500 meters of drilling and 1,000 meters of trenching, including 6 holes totalling 650 meters of drilling and 1,000 meters of trenching focusing on the historical tungsten showing.

The Company encountered mineralization in all 49 holes drilled in the 2011 exploration program and near-surface mineralization was extended to a distance of at least 875 meters and is open in three directions. The Company intends to infill drill as part of its next phase of work on the property in order to potentially add further resources to the existing estimates.

In May 2012, the Company announced that it had received initial documents relating to an airborne survey carried out to test the remaining unexplored areas of the property. R.A. Lane, P.Geo, the Company's Qualified Person as defined by NI 43-101, has subsequently identified a number of targets that merit advanced exploration, notably the gold-silver-tellurium zone as well as the tungsten zone.

In October 2012, the Company completed a 10-day prospecting program to evaluate several anomalies identified during an assessment of 2011 airborne magnetic and radiometric survey data. The work program resulted in several new discoveries, including a previously-unknown copper zone and an extension of the known near surface high grade gold-silver-tellurium vein system.

In March 2013, the Company announced results of a Preliminary Economic Assessment ("PEA") for the property. The PEA was revised on July 26, 2013. The amended and restated PEA, prepared in accordance with NI 43-101, is available in the Company's disclosure record located on SEDAR (www.sedar.com). The PEA estimated that the project will carry a 14 year mine life with a 2.4 year payback period.

In April 2013, the Company announced that a mineral resource update, prepared in compliance with NI 43-101, showed increased tonnage and significantly higher resources of gold and silver, and an initial resource for tellurium. The estimate, authored by R.A. Lane, P.Geo. and G.H. Giroux, P.Eng., both independent consultants and Qualified Persons as defined by NI 43-101, showed the deposit containing 68,000 ounces of gold, 2.1 million ounces of silver and 66,000 kg of tellurium in the indicated category and 32,000 ounces of gold, 930,000 ounces of silver and 27,000 kg of tellurium in the inferred category. An indicated tellurium resource was estimated with approximately half the data used to estimate the indicated gold and silver. Tellurium represents a minor component to the project's economics. The reader should be aware that the confidence in the indicated tellurium estimate is lower than the confidence in the indicated gold and silver resource estimate. An additional 197,000 tonnes averaging 5.04 g/t gold, 146.5 g/t silver and 137 ppm tellurium is classed as inferred. The updated mineral resource estimate is based on historical diamond drill holes completed from 1944 to 1990, 35 drill holes completed by the Company in 2009 and a further 29 drill holes completed in 2011.



Summary

Following the Company's earn-in on its 50% interest in the Deerhorn property, the Company's primary focus is to undertake further exploration drilling to potentially upgrade the inferred resource contained in the 14 year mine plan to the indicated or measured categories. The Company is planning to proceed with further in-fill and step-out drilling, engineering and environmental programs to advance the project to a preliminary feasibility stage.

Results of Operations

This review of the Results of Operations should be in conjunction with the financial statements of the Company for the six months ended January 31, 2014. The Company has no operating revenues and relies on external financing to generate capital. Most recently the Company's operations have been significantly curtailed due to the financial downturn in the junior mineral exploration industry and the impact on the Company's ability to raise equity capital to finance its ongoing overheads and planned exploration programs. As a result, the Company has significantly reduced discretionary expenditures where possible.

Three months ended January 31, 2014 compared with the three months ended January 31, 2013

Expenses

General and administrative expenses totaled \$101,107 for the three months ended January 31, 2014 compared to \$244,102 for the three months ended January 31, 2013. Details of the largest changes and significant general and administrative items are as follows:

In the three months ended January 31, 2014, depreciation expense decreased by \$272 to \$nil from \$272, investor relations and shareholder information expenses decreased by \$24,124 to \$1,842 from \$25,966, office expenses decreased by \$5,198 to \$758 from \$5,956, professional fees decreased by \$2,800 to \$1,350 from \$4,150, rent decreased by \$2,267 to \$2,000 from \$4,267 and salaries and management fees decreased by \$8,425 to \$86,075 from \$94,500, all compared to the three months ended January 31, 2013 as the Company continued to reduce general and administrative expenses where possible.

Net exploration expenditures decreased by \$103,146 to \$nil from \$103,146 in the three months ended October 31, 2013 as the Company has been incurring only routine property maintenance costs since the completion of a Preliminary Economic Assessment on its Deerhorn property.

Regulatory and filing fees increased by \$3,803 to \$6,082 in the three months ended January 31, 2014 from \$2,279 in the three months ended January 31, 2013 and is due to fees incurred in connection with a non-brokered private placement and special meeting costs.

Exploration Expenses

The Company incurred no exploration expenses during the three months ended January 31, 2014 compared with \$103,146 in 2013.

Since the completion of a Preliminary Economic Assessment on its Deerhorn property, the Company has been incurring only routine property maintenance costs to keep the claims in good standing.



Six months ended January 31, 2014 compared with the six months ended January 31, 2013

Expenses

General and administrative expenses totaled \$227,693 for the six months ended January 31, 2014 compared to \$621,019 for the three months ended January 31, 2013. Details of the largest changes and significant general and administrative items are as follows:

In the three months ended January 31, 2014, depreciation expense decreased by \$422 to \$122 from \$544, investor relations and shareholder information expenses decreased by \$46,443 to \$6,617 from \$53,060, office expenses decreased by \$7,006 to \$3,372 from \$10,378, rent decreased by \$2,535 to \$6,000 from \$8,535 and salaries and management fees decreased by \$47,725 to \$178,775 from \$226,500, all compared to the three months ended January 31, 2013 as the Company continued to reduce general and administrative expenses where possible.

Net exploration expenditures decreased by \$298,119 to \$2,879 from \$300,998 in the six months ended January 31, 2014 as the Company has been incurring only routine property maintenance costs since the completion of a Preliminary Economic Assessment on its Deerhorn property.

In the six months ended January 31, 2014, professional fees increased by \$5,242 to \$9,588 from \$4,346 and regulatory and filing fees increased by \$3,349 to \$14,208 from \$10,859 all compared to the six months ended January 31, 2013 and is due to fees incurred in connection with a non-brokered private placement and special meeting costs.

Exploration Expenses

The Company incurred no exploration expenses during the three months ended January 31, 2014 compared with \$103,146 in 2013.

Since the completion of a Preliminary Economic Assessment on its Deerhorn property, the Company has been incurring only routine property maintenance costs to keep the claims in good standing.



MANAGEMENT DISCUSSION AND ANALYSIS
For the six months ended January 31, 2014

Summary of Quarterly Results

| Quarter Ended | 2014 | 2013 | 2013 | 2013 | 2013 | 2012 | 2012 | 2012 |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|------------|
| | Jan. 31 | Oct. 31 | July 31 | Apr. 30 | Jan. 31 | Oct. 31 | July 31 | April 30 |
| | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| G&A Expenses | 101,107 | 126,586 | 155,425 | 212,859 | 244,102 | 376,917 | 303,572 | 384,299 |
| Option Benefits | - | - | - | 17,051 | - | - | 399 | - |
| Net Loss | | | | | | | | |
| - per share | - | - | - | - | - | - | - | - |
| - per share (diluted) | - | - | - | - | - | - | - | - |
| Total Assets | 107,181 | 127,799 | 270,749 | 136,192 | 291,530 | 489,083 | 601,340 | 547,936 |
| Working Capital (Deficiency) | (230,785) | (129,678) | (81,714) | (98,060) | 97,476 | 341,306 | 442,900 | 230,806 |
| Share Capital: | | | | | | | | |
| Authorized | Unlimited | Unlimited | Unlimited | Unlimited | Unlimited | Unlimited | Unlimited | Unlimited |
| Outstanding | 154,353,166 | 154,353,166 | 104,353,166 | 104,353,166 | 104,353,166 | 104,353,166 | 98,653,166 | 95,609,166 |
| Warrants | 5,704,000 | 5,704,000 | 19,764,000 | 19,764,000 | 19,764,000 | 19,764,000 | 17,104,000 | 14,060,000 |
| Options | 8,600,000 | 8,900,000 | 8,900,000 | 9,075,000 | 8,075,000 | 9,075,000 | 9,075,000 | 9,075,000 |

Liquidity and Capital Resources

At January 31, 2014 the Company had current assets of \$16,931, of which \$559 was comprised of cash. Current liabilities totalled \$247,716 and consisted of trade payables.

Future exploration and subsequent development of the Company's properties beyond currently planned expenditures will depend on the Company's ability to obtain additional financing. The Company has limited financial resources and there is no assurance that additional funding will be available to allow the Company to fulfil its obligation on existing exploration (or joint ventures) properties. Failure to obtain financing could result in the delay or indefinite postponement of further exploration and the possible partial or total loss of interest in certain properties.

The Company's financial performance is dependent on many external factors. The Company expects that any revenues it may earn from its operations in the future will be from the sale of minerals. Both prices and markets for metals and minerals are cycling, difficult to predict, volatile, subject to government price fixing and controls and respond to changes in domestic and international political, social, and economic environments. In addition, the availability and cost of funds for exploration, development and production costs are difficult to predict. These changes in events could materially affect the financial performance of the Company.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions - Key Management Compensation

Amounts owing to related parties consists of \$204,150 for consulting fees paid or accrued to key management personnel or companies controlled by key management personnel (2013 - \$nil).

During the period, \$111,000 (2013 - \$105,000) was paid or accrued to a company controlled by the President and CEO, Tyrone Docherty, for services as Director and Officer of the Company, \$30,000 (2013 - \$30,000) was paid or accrued to a company controlled by a Director, Tony Fogarassy, for consulting services and \$15,000 (2013 - \$15,000) was paid or accrued to the CFO or a company controlled by the CFO, Pamela Saulnier for services as an Officer of the Company.

Also, \$nil (2013 - \$190,853) was paid or accrued to a private company controlled by a former director, Scott Gifford, for exploration costs.

New standards, amendments and interpretations not yet effective:

Certain new standards, interpretations and amendments to existing standards have been issued by the International Accounting Standards Board (IASB) or International Financial Reporting Interpretations Committee (IFRIC) that are mandatory for accounting periods beginning after January 1, 2014, or later periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

IFRS 9, Financial Instruments- Classification and Measurement

IFRS 9 is a new standard on financial instruments that will replace IAS 39, *Financial Instruments: Recognition and Measurement*.

IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as derecognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows represent principal and interest. Otherwise it is at fair value through profit or loss.

IFRS 7, Financial Instruments- Disclosure

Amended to require additional disclosures on transition from IAS 39 to IFRS 9.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Classification of financial instruments

Financial instruments measured at fair value are classified into one of three levels using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value ("FV") hierarchy has the following levels:

Level 1- quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2- inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (ie. as prices) or indirectly (ie. derived from prices); and

Level 3- inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash and accounts payable and accrued liabilities.

Fair values

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The fair value of cash is measured at Level 1 of the fair value hierarchy. The carrying value of accounts payable and accrued liabilities approximate their fair value because of the short term nature of these instruments.

Financial instrument risk exposure and risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance. The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash and receivables. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The Company's receivables consist primarily of tax receivables due from federal government agencies. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Interest rate risk

The Company has cash balances. The Company's current policy is to invest excess cash in investment grade short-term demand deposit certificates issued by its banking institutions. The company periodically monitors the investments it makes and is satisfied with the credit rating of its banks. The Company is marginally exposed to interest rate risk.

Commodity price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.



OTHER MD&A REQUIREMENTS

Additional Disclosure for Venture Issuers without Significant Revenue:

As the Company has not had revenue from operations in either of its last two financial years, the following is a breakdown of the material costs incurred:

| | Six months ended Jan. 31, 2014 | Six months ended Jan. 31, 2013 |
|-------------------------------------|---|---|
| General and Administration Expenses | \$227,693 | \$621,019 |

Disclosure of Outstanding Share Data

The Company's authorized share capital consists of unlimited common shares without par value.

As at January 31, 2014 and March 31, 2014, the Company had 154,353,166 issued and outstanding common shares.

The following is a summary of stock options outstanding as at January 31, 2014 and March 31, 2014:

| Expiry Date | Exercise Price Per Share | Number of Shares Remaining Subject to Options (January 31, 2014) | Number of Shares Remaining Subject to Options (March 31, 2014) |
|--------------------|---------------------------------|---|---|
| March 9, 2014 | \$0.10 | 400,000 | - |
| July 14, 2014 | \$0.22 | 500,000 | 500,000 |
| August 28, 2014 | \$0.22 | 800,000 | 800,000 |
| May 21, 2015 | \$0.10 | 2,450,000 | 2,450,000 |
| October 8, 2015 | \$0.10 | 300,000 | 300,000 |
| March 11, 2016 | \$0.25 | 2,650,000 | 2,650,000 |
| June 24, 2016 | \$0.25 | 500,000 | 500,000 |
| March 25, 2018 | \$0.10 | 1,000,000 | 1,000,000 |
| Total | | 8,600,000 | 8,200,000 |

The following is a summary of share purchase warrants outstanding as at January 31, 2014 and March 31, 2014:

| Expiry Date | Exercise Price Per Share | Number of Shares Remaining Subject to Warrants (January 31, 2014) | Number of Shares Remaining Subject to Warrants (March 31, 2014) |
|--------------------|---------------------------------|--|--|
| June 20, 2014 | \$0.14 - \$0.17 | 3,044,000 | 3,044,000 |
| Oct. 12, 2015 | \$0.10 | 2,660,000 | 2,660,000 |
| Total | | 5,704,000 | 5,704,000 |

Internal Controls over Financial Reporting

The Chief Executive Officer and the Chief Financial Officer of the Company are responsible for designing internal controls over financial reporting, or causing them to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company assessed the design of the internal controls over financial reporting as at January 31, 2014 and concluded that there are material weaknesses in internal controls over financial reporting, which are as follows:

- a) Due to the limited number of staff resources, the Company believes there are instances where a lack of segregation of duties exist to provide effective controls; and
- b) Due to the limited number of staff resources, the Company may not have the necessary in-house knowledge to address complex accounting and tax issues that may arise.

The weaknesses and their related risks are not uncommon in a company the size of the Company because of limitations in size and number of staff. The Company believes it has taken steps to mitigate these risks by hiring additional personnel, consulting outside advisors and involving the Audit Committee and Board of Directors in reviews and consultations where necessary. However, these weaknesses in internal controls over financial reporting could result in a more than remote likelihood that a material misstatement would not be prevented or detected. The Company believes that it must take additional steps to further mitigate these risks by consulting outside advisors on a more regular and timely basis.

There have been no changes in the Company's internal controls over financial reporting that occurred during the six months ended January 31, 2014 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

Management Responsibility for the Financial Statements

The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by these filings, and these financial statements together with the other financial information included in these filings. The Board of Directors approves the Financial Statements and MD&A and ensures that management has discharged its financial responsibilities. The Board's review is accomplished principally through the Audit Committee, which meets periodically to review all financial reports, prior to filing.

Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com.

Cautionary Statement

This MD&A is based on a review of the Company's operations, financial position and plans for the future based on facts and circumstances as of March 31, 2014. Except for historical information or statements of fact relating to the Company, this document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change. These statements involve known and unknown risks, uncertainties, and other factor that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward-looking statements.