

FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company:**

Deer Horn Capital Inc.
381 – 1440 Garden Place
Delta, BC V4M 3Z2

2. **Date of Material Change:**

February 25, 2020

3. **Press Release:**

A News Release dated and issued on February 25, 2020 at Vancouver, BC, through Executive Business Services and SEDAR.

4. **Summary of Material Change:**

Deer Horn Launches Permitting Phase for Bulk Sample

5. **Full Description of Material Change:**

See news release, a copy of which is attached hereto

6. **Reliance on Subsection 7.1(2) of the National Instrument 51-102 Continuous Disclosure Obligations:**

Not applicable.

7. **Omitted Information:**

Not applicable.

8. **Executive Officer Knowledgeable of Material Change:**

Tyrone Docherty, President and CEO
Telephone: (604) 789-5653

9. **Date of Report:**

February 25, 2020



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**Metals for Clean Technology
and a Low-Carbon Economy.**

NEWS >>>

Deer Horn Launches Permitting Phase for Bulk Sample

Vancouver, BC, Canada, February 25, 2020 – Following recent financings, Deer Horn Capital Inc. (CSE: DHC) (the “Company” or “Deer Horn”), announces it is finalizing contract arrangements with a BC-based, international engineering firm to manage permitting for a 10,000-tonne bulk sample at the 51.3-square-kilometer Deer Horn gold-silver-tellurium property in west-central British Columbia. The bulk sample, focused on a small, higher-grade portion of the project’s Main Vein area, is expected to provide supporting information about the known resource including grade, metallurgy, processing and mining options.

“The bulk sample marks the next key step in exploration of the Deer Horn property,” said president and CEO Tyrone Docherty. “Work to date has continually produced positive results, and we’re very encouraged about the plans for 2020. We believe this step will give us the information needed to move to pre-feasibility for the mine plan outlined in the PEA.”

Deer Horn is a gold-silver-tellurium property with an NI 43-101 compliant tellurium resource of high-grade gold, silver and tellurium. Exploration to date has outlined several key mineral zones across a 2.4-kilometer strike length that remain open for expansion in three directions. A 2018 Technical Report and Preliminary Economic Assessment (PEA), calculated on only 20% of the known mineralized zone, generated positive results for a small-scale, open-pit operation based on prices of \$1,300 for gold, \$17 for silver and \$100 per kg for tellurium. The bulk sample is intended to reinforce key data points and assumptions from the PEA.

The PEA Technical Report may be viewed [here](#) on Deer Horn’s website.

“Our objective and strategy is to launch production at Deer Horn with a small operation that requires far less capital, time, permitting and infrastructure,” said Docherty. “Looking long-term, we want to prove viability and expand our resource base, especially on the remaining portion of the known mineralization. It’s important to note that the current resource has only been explored to a depth of 200 feet, where it remains open.”

About Deer Horn Capital

Deer Horn Capital’s unique business model is to generate revenue and value through mineral discovery, project development, project generation and cooperative access to untapped mineral regions in First Nations territory with sustainable exploration.

Our polymetallic Deer Horn Project in British Columbia anchors a diversified search for metals, working in alliance with First Nations, NGOs, governments and leading metals buyers. We believe this is the future of mineral exploration: generating revenue by exploring responsibly and leveraging diverse partnerships.

On behalf of the board of directors of
Deer Horn Capital Inc.

"Tyrone Docherty"

Tyrone Docherty
President and CEO

For further information please contact:

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Neither the Canadian Securities Exchange nor its regulations services accept responsibility for the adequacy or accuracy of this release.

Forward-looking information

All statements included in this press release that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future are forward-looking statements. These forward-looking statements involve numerous assumptions made by the Company based on its experience, perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances. In addition, these statements involve substantial known and unknown risks and uncertainties that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will prove inaccurate, certain of which are beyond the Company's control. Readers should not place undue reliance on forward-looking statements. Except as required by law, the Company does not intend to revise or update these forward-looking statements after the date hereof or revise them to reflect the occurrence of future unanticipated event.