

**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:**

July 30, 2020

3. **Press Release:**

A News Release dated and issued on July 30, 2020 at Vancouver, BC, through Executive Business Services and SEDAR.

4. **Summary of Material Change:**

Deer Horn Provides Q2 2020 Shareholder Update

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:**

July 30, 2020



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Metals for Clean Technology  
and a Low-Carbon Economy.

## NEWS >>>

### Deer Horn Provides Q2 2020 Shareholder Update

**Vancouver, BC, Canada, July 30, 2020** – Tyrone Docherty, President and CEO of Deer Horn Capital Inc. (CSE: DHC) (the “Company” or “Deer Horn”), has provided shareholders with the Company’s Q2 2020 Shareholder Update.

With precious metals prices on a sustained rise, we completed Q2 2020 on a very positive note. Both our Preliminary Economic Assessment and planned bulk sample for the Deer Horn Property became even more viable than before, and we opened new prospecting and staking in Northern British Columbia with our Indigenous partners at Cheona Metals.

#### A Review of Our Revenue Model

I want to remind shareholders that Deer Horn Capital is not your typical exploration company. Our intent is to build a new revenue model for the junior resource industry, one that aligns with key trends in exploration, Indigenous relations and technology. An essential aspect of our model is partnering with industry leaders in critical and strategic metals extraction, manufacturing, supply and research as well with relevant Indigenous, governmental and educational institutions.

We are working to monetize this strategy through our Deer Horn Growth Model, which includes:

1. Advanced Exploration
2. Project Generation
3. First Nations Cooperation
4. Scientific Innovation
5. Sustainable Operation

#### Strategic Partnership: Prospecting and Staking with Cheona Metals

Last year we established a partnership with First Nations mineral exploration entrepreneur Mr. Allen Edzerza to explore highly prospective areas of northern British Columbia.

This was a landmark agreement, both for its value in opening vast areas of Northern BC to Deer Horn, but also for its intent of helping First Nations exercise their inherent rights and title to mineral resources in their ancestral lands.

This agreement offers many potential benefits to Deer Horn shareholders, including opportunities for Deer Horn to be a project generator in a very productive region of BC with the possibility of near-term cash flow.

#### Field Work in July

In early July of this year, we sent our first team into unstaked and largely unexplored ground of Northern British Columbia near the “Golden Horseshoe,” or Golden Triangle region of northern British Columbia. Prospecting for this program was based on generations of Indigenous lore about silver and gold discoveries on ground that had seen little, if any, investigation by prospectors. We expect to announce results and follow-up to this work later in the year.

## Higher Gold Prices Reinforce Bulk Sampling and PEA

With gold prices hitting all-time highs and silver prices at five-year highs, our planned, 10,000-tonne bulk sample program looks more viable than ever. In addition, our Preliminary Economic Assessment (PEA) for the Deer Horn Project was calculated using metals prices of US\$1,300 per ounce for gold and US\$17 per ounce for silver. Current prices represent increases of roughly 46% and 30% respectively from the original PEA calculations. Considering that the PEA showed a 1.6-year payback and potential for a viable operation at the lower prices, we are more confident than ever that we can build a successful operation at the Deer Horn Property.

## Looking Ahead

Dependent on securing additional funding, this year we are hoping to explore the Deer Horn property's copper porphyry potential where prospecting in 2012 identified new showings indicative of a buried copper porphyry system. Known as the North Pond and H Spot zones, samples there produced results as high as 4240 ppm Cu and 6.6 g/t Ag.

We are also planning a private placement unit financing of 3,000,000 shares at a price of \$0.10 per unit. Each unit will include a two-year full warrant exercisable at \$0.15. Each unit will consist of one common share and one common share purchase warrant exercisable at \$0.15 for a period of two years following the close of the private placement.

I look forward to sharing fresh news as the year progresses.

## 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 Indigenous territory with sustainable exploration.

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

Deer Horn responsibly and ethically explores for metals in British Columbia and Yukon. Deer Horn proudly adheres to and supports the principles and rights set out in the United Nations Declaration on the Rights of Indigenous peoples and in particular the fundamental proposition of free, prior and informed consent.

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

"Tyrone Docherty"

Tyrone Docherty  
President and CEO

For further information please contact:

**Tyrone Docherty**

604.789.5653

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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.*