

**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:**

August 6, 2020

3. **Press Release:**

A News Release dated and issued on August 6, 2020 at Vancouver, BC, through Executive Business Services and SEDAR.

4. **Summary of Material Change:**

Deer Horn Applies for 5-Year Exploration Permit; Grants Stock Options

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:**

August 6, 2020



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Metals for Clean Technology  
and a Low-Carbon Economy.

## NEWS >>>

### Deer Horn Applies for 5-Year Exploration Permit; Grants Stock Options

**Vancouver, BC, Canada, August 6, 2020** – Deer Horn Capital Inc. (CSE: DHC) (the “Company” or “Deer Horn”), announces that, as part of its permit application for a 10,000-tonne bulk sample at the Company’s 51.3-square-kilometer, Deer Horn gold-silver-tellurium property in west-central British Columbia, Deer Horn is also applying for a five-year exploration permit. The permit will be used for drilling and other exploration to expand the property’s current NI 43-101 resource of high-grade gold, silver and tellurium.

“The current Deer Horn resource and Preliminary Economic Assessment was based on only 450 meters of a 2.4-kilometer strike length,” said Deer Horn President and CEO Tyrone Docherty. “This zone remains open laterally and at depth, and we defined 850 meters of the vein system through drilling.”

Moose Mountain Technical Services of Cranbrook, BC, which conducted the Preliminary Economic Assessment (PEA) of the Deer Horn Property, is managing the permitting process. In the PEA, dated May 31, 2018, Moose Mountain recommended the following exploration to expand the resource and move the project towards feasibility:

- Detailed structural mapping of surface showings, underground workings and a review of the 2009 and 2011 drill core.
- A systematic diamond drilling program (of approximately 3,900 m of drilling from up to 28 drill sites) targeting the near surface, high-grade gold-silver-tellurium potential of the Main vein, the bulk tonnage gold-silver-tellurium potential offered by the Contact zone, and several precious metal targets that lie contiguously west of the current resource.

Positive results of the PEA, reported in Deer Horn’s [June 6, 2018 New Release](#), included a 1.6-year payback based on metals prices of **US\$1,300 per ounce for gold, US\$17 per ounce for silver**, US\$100 per kilogram for tellurium, US\$3.00 per pound for copper and US\$1.00 per pound for zinc. The full PEA, which was prepared in accordance with National Instrument 43-101 regulations, is available for viewing [here](#) and also at [www.SEDAR.com](http://www.SEDAR.com).

The Preliminary Economic Assessment is preliminary in nature. It includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the Preliminary Economic Assessment will be realized.

#### **Stock Option Grant**

The Company also announces that it has granted a total of 150,000 incentive stock options to a consultant to the Company, under the Company’s Stock Option Plan. The options are exercisable at \$0.10 per share and will expire August 6, 2030.

## **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  
[tyrone@deerhorncapital.ca](mailto:tyrone@deerhorncapital.ca)

***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.*