

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:**

March 11, 2021

3. **Press Release:**

A News Release dated and issued on March 11, 2021 at Vancouver, BC, through Executive Business Services and SEDAR.

4. **Summary of Material Change:**

Deer Horn Acquires Option on Former First Solar Tellurium Property in Historic Colorado Mining District

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:**

March 11, 2021



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Metals for Clean Technology
and a Low-Carbon Economy.

NEWS >>>

Deer Horn Acquires Option on Former First Solar Tellurium Property in Historic Colorado Mining District

Vancouver, BC, Canada, March 11, 2021 – Deer Horn Capital Inc. (CSE: **DHC**) (the “Company” or “Deer Horn Capital”), reports the Company has completed an agreement with Colorado Klondike LLC to acquire a purchase option on the Colorado Klondike (Klondike) tellurium-gold-silver property located in south-central Colorado. The property lies in the center of the state’s Findley Gulch mining district near the southern periphery of the Bonanza district, a substantial historic producer of silver, gold and base metals.

Klondike was held previously by First Solar Inc., one of the world’s largest solar manufacturers, as a potential primary source of tellurium for the company’s cadmium-telluride (CdTe) solar panels. Colorado Klondike LLC, operated by former First Solar management, acquired the property from First Solar in 2013 when the manufacturer terminated its worldwide raw materials exploration program.

“We’re thrilled to add the Klondike Property to our tellurium portfolio,” said Deer Horn President and CEO Tyrone Docherty. “Not only do we see this as an exceptional prospect for both tellurium and precious metals, Klondike also gives us a project we can explore almost year-around. We’ll be providing more details about this exciting property in the coming weeks.”

Colorado Klondike LLC General Manager John Keller, who originally assessed Klondike for First Solar, stated: “First Solar conducted a very encouraging geophysical survey and geochemical sampling, and they had permits in place for drilling at Klondike. Unfortunately, the program was terminated before Klondike could be drilled. We formed our company because, analyzing these results, we believed the property could hold significant resources of tellurium, gold, and silver.”

Keller added: “The Klondike property had by far the highest tellurium grades in rock samples of the hundreds of prospects and deposits we examined in the US and Canada from 2006 to 2011. Some samples at Klondike were an order of magnitude higher in Te grade than any others. The samples also contained high-grade gold with significant silver.”

Mr. Keller is a Certified Professional Geologist and a Qualified Person (QP) under Canadian NI 43-101 regulations. He worked for First Solar Inc. from 2006 to 2011, initially as a consulting geologist and later as Exploration Manager for North America.

The terms of the Deer Horn-Colorado Klondike LLC agreement include consideration for an aggregate of US\$260,000 cash and Deer Horn incurring an aggregate of US\$300,000 in exploration expenses on the property within five years, at which time the option may be fully exercised upon payment of an additional up to US\$1,500,000. Upon full exercise of the option the Company will grant the vendor a 3% NSR, with the right to buy-back a 1% NSR upon payment of US\$1,000,000. The Company will also be required to pay an advance royalty payment of US\$60,000/year commencing on the first anniversary of the exercise of the option.

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:

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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.