

NEWS >>>

Deer Horn Provides More Information on its Latest Tellurium Acquisition in Colorado

Vancouver, BC, Canada, March 16, 2021 – Deer Horn Capital Inc. (CSE: **DHC**) (the “Company” or “Deer Horn Capital”) has provided further information on its [acquisition](#) of the Klondike tellurium-gold-silver property from Colorado Klondike LLC. The Klondike property is located in Colorado’s San Juan Mountains and 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. First Solar discontinued their tellurium development program in early 2012 and sold the property to Colorado Klondike LLC.

“We have been in talks with Colorado Klondike for over two years to acquire this exceptional tellurium and precious metals prospect,” said Deer Horn President and CEO Tyrone Docherty. “We have long wanted to add another top tellurium asset to augment our Deer Horn gold-silver-tellurium property in BC. The Klondike property not only holds great tellurium potential, it allows us to explore almost year-around.”

Docherty added: “We believe tellurium demand will increase significantly with the world’s push to renewable energy. As a result, stable domestic supplies of tellurium will become increasingly valuable.”

First Solar acquired Klondike because of the property’s exceptional tellurium grades. The Colorado Geological Survey (CGS), in partnership with the Colorado School of Mines, reported on First Solar’s exploration at Klondike in the *2015 Colorado Mineral and Energy Industry Activities 2014-2015* publication. In particular, the CGS noted:

“Surface sampling by First Solar, Inc. in 2006 found very high tellurium grades of up to 3.3% (33,000 ppm), along with locally high gold grades. Tellurium grades at Klondike were the highest encountered in the company’s nationwide exploration program.”

Surface samples such as these are preliminary in nature and not conclusive evidence of the likelihood of a mineral deposit.

“For perspective on the tellurium grades at Klondike, the [2018 PEA](#) for the Deer Horn Project noted a tellurium grade of 160 ppm for the indicated resource,” said Docherty. “Boliden’s Kankberg Mine in Sweden, one of the world’s leading primary tellurium producers, reports an average grade of 188 ppm.”

Klondike lies in a region containing several large and well-known mining districts. This area has produced millions of ounces of silver and gold as well as base metals. Creede, the largest volcanic-hosted epithermal silver-gold district in Colorado, is 45 miles (72 km) southwest of Klondike. The large Summitville mine, active into the 1990s, is 57 miles (92 km) to the southwest. Cripple Creek, still being mined by Newmont, has produced over 23 million ounces of gold since 1890 from a tellurium-rich, diatreme-hosted deposit and is 68 miles (110 km) northeast of Klondike.

John Keller, General Manager of Colorado Klondike LLC, who first investigated the Klondike property for First Solar, noted: “First Solar conducted a very encouraging geophysical survey and geochemical sampling, and they had permits in place for drilling at Klondike. Unfortunately, the company terminated the Raw Materials exploration group in early 2012. The property was never drilled. Some of the rock samples were an order of magnitude higher in Te grade than any samples from anywhere else we investigated. The samples also held high-grade precious metals, with grades up to 33.7 g/t gold and 364.8 g/t silver.”

The U.S. Geological Survey (USGS) lists tellurium as a “Critical Metal,” primarily for its use in CdTe solar cells and as a key additive to copper, lead, and steel alloys to improve machinability. In a [March 8, 2021 press release](#), Rio Tinto announced it will begin construction on a new plant to recover tellurium from copper refining at its Kennecott mine near Salt Lake City, Utah. Rio Tinto is investing \$2.9 million to set up the plant and expects to begin production of tellurium in the fourth quarter of 2021, creating an important new North American supply chain for this critical mineral.

About Deer Horn Capital

Deer Horn Capital’s unique business model is based on leveraging diverse partnerships to generate revenue and value. Working with Indigenous peoples, NGOs, governments and industry, Deer Horn Capital explores for metals in British Columbia and helps indigenous communities grow and thrive through various industrial, social and environmental ventures.

Our polymetallic Deer Horn Project in British Columbia anchors a diversified search for metals. The property was the subject of a positive Preliminary Economic Assessment in 2018 based on metals prices of \$1,300/oz gold, \$17/oz silver and \$70/kg for tellurium.

Deer Horn Capital 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. Deer Horn Capital has been a vocal advocate of the BC *Declaration on the Rights of Indigenous Peoples Act* since its introduction and passage in the British Columbia legislature in November 2019. Deer Horn Capital also supports federal Bill C-15, the *United Nations Declaration on the Rights of Indigenous Peoples Act*.

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

“Tyrone Docherty”

Tyrone Docherty
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