

# SHAREHOLDER UPDATE >

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## Deer Horn's Updated PEA, Exploration Plans for 2018

May 14, 2018

### To Our Shareholders:

We have come through a long, diligent process of rebuilding over the past year or so, and I'm very excited to report significant progress towards two of our key objectives for 2018:

- 1) Completing the updated Preliminary Economic Assessment (PEA) for our Deer Horn silver-gold-tellurium project in north-central British Columbia, and;
- 2) Getting crews back on the property for the upcoming exploration season

With financings and debt settlements completed earlier this year, we are now positioned to move ahead with these important objectives.

### Updated PEA Expected in Coming Weeks

We expect to have the updated PEA available for public distribution before the end of May. The new report, prepared by Moose Mountain Technical Services of Cranbrook, BC, will be based on current metals prices and will include other revised parameters that we believe will help us better understand the property's potential for mining.

### Working Towards our Vision

Our vision is to turn the Deer Horn Project into Canada's first silver-gold-tellurium mine, helping supply important metals for clean energy and other rapidly-advancing technologies including communication, transportation, energy storage, digital storage/memory and electronics. As technology continues to advance worldwide, particularly for solar panels, the demand for tellurium and silver continues to grow.

### Other Metals at Deer Horn

The Deer Horn Project is remarkable for its polymetallic properties. In addition to silver, gold and tellurium, the property also contains copper, tungsten, bismuth, zinc, molybdenum and lead. The most abundant metals identified to date besides silver, gold and tellurium are tungsten and copper. Prospecting at Deer Horn in 2012 identified new showings indicative of a buried copper porphyry system. This new potential adds further exploration value to the property.

Technical reports for Deer Horn have recommended that further exploration is warranted for all the property's additional metals.

The Preliminary Economic Assessment is being prepared under the supervision of Tracey Meintjes, P.Eng., a consultant to Deer Horn Capital who is a qualified person within the context of NI 43-101, and who has reviewed and approved the technical data in this document.

**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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***Forward-looking information***

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