The following discussion and analysis of the operations, results and financial position of First Tellurium Corp. (the "Company" or "First Tellurium") for the six months ended January 31, 2025 should be read in conjunction with the unaudited financial statements for the six months ended January 31, 2025, which can be found on SEDAR at www.sedar.com.

This Management Discussion and Analysis ("MD&A") is dated April 1, 2025 and discloses specified information up to that date. The Company is classified as a "venture issuer" for the purposes of National Instrument 51-102. The Company's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") in Canada. Unless otherwise cited, references to dollar amounts are in Canadian dollars.

The Company is a reporting issuer in each of the provinces of British Columbia, Alberta and Ontario. Its head office is located at 381 – 1440 Garden Place, Delta, BC, V4M 3Z2. Its registered records office is located at Suite 1100 - 736 Granville Street, Vancouver, BC, V67 1G3.

Forward-looking Information

Certain statements in this MD&A and the documents incorporated by reference contain forward-looking information, which includes forward-looking statements within the meaning of applicable Canadian securities laws. Forward-looking statements 20 are statements which relate to future events or our future performance, including our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", or "potential" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause the Company's or the industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. No assurance can be given that any of the events anticipated by the forward-looking information and statements will occur or, if they do occur, what benefits the Company will obtain from them. This MD&A contains forward-looking information and statements, which may include but are not limited to: statements with respect to the financial and operating performance of the Company; investments objectives and strategies; the business goals and strategies; forecast operating and financial results; planned capital expenditures; potential future market for products, business prospects and opportunities; costs and timing of developmental new projects; management's assessment of future plans and operations; and requirements for additional capital.

Overview

First Tellurium is a publicly-traded, Vancouver-based, diversified issuer. The Company has a 50% interest in the Deer Horn Property, located in British Columbia. The Company also has an option to acquire the Colorado Klondike Property, located in south-central Colorado, USA. The Company is refocusing its efforts on mineral exploration and intends to complete further equity financing in order to resume exploration and development on its mineral property interests while seeking additional opportunities in the junior mining sector to expand its property portfolio. The Company has a 75% equity interest in PyroDelta Energy Corp., is exploring new uses of tellurium and has developed a thermoelectric generator that could be used in the renewable energy and automotive industries, allowing First Tellurium to focus on opportunities that directly engage in the usage of tellurium. The Company also has a 49% equity interest in Cheona Metals Inc., whose focus in on underexplored mineral lands in northern British Columbia.

First Tellurium is a member of the Initiative for Responsible Mining Assurance (or "IRMA").

Strategy, Performance and Outlook

Seasonal conditions affecting operations have impacted the Company's ability to undertake exploration activity, however; the Company is well-positioned to move forward with plans to drill on both its Deer Horn and Colorado Klondike properties. The Company's key acquisition and placement of a diamond drill on its Deer Horn property will provide efficiencies when undertaking future drill programs and permitting is in place for future work. The Company is current with claims maintenance on the Colorado Klondike property.

The Company is currently mapping drill targets on its Deer Horn property following property-wide mapping and sampling, and an IP geophysical survey conducted in Q1 2024. The Company will now undertake a diamond drill program to investigate and potentially expand the tellurium-silver gold mineralization as well as recently-confirmed copper porphyry mineralization, and may include tungsten areas of interest.

Following a soil sampling program on the Klondike property, assay interpretations will be utilized to map drill targets for a diamond drill program on its Colorado Klondike property, including recently-staked areas of interest contiguous to the claims currently under option. The Company has made its third anniversary payment and both the claims and the option agreement are in good standing.

On October 23, 2024, the Company closed the first tranche of a private placement, issuing 5,707,143 flow-through shares at a price of $0.14 per flow-through share for gross proceeds of $799,000 and 9,223,970 units at a price of $0.11 per unit for gross proceeds of $1,813,837. Each unit comprises one common share and one-half of one share purchase warrant, with each whole warrant exercisable at a price of $0.15 for a period of two years

On December 9, 2024, The Company closed the second tranche of a private placement, issuing 2,500,000 flow-through shares at a price of $0.14 per flow-through share for gross proceeds of $350,000 and 1,231,818 units at a price of $0.11 per unit for gross proceeds of $485,500. Each unit comprises one common share and one-half of one share purchase warrant, with each whole warrant exercisable at a price of $0.15 for a period of two years.

On December 23, 2024, the Company closed a third and final tranche of a private placement, issuing 4,328,572 flow-through shares at a price of $0.14 per flow-through share for gross proceeds of $606,000.

Deer Horn Property

The Company completed property-wide mapping and sampling program at Deer Horn to identified further copper-gold porphyry alteration and provide drill targets. Subsequent to year end, the Company also conducted an induced polarization ("IP") geophysical survey. Assay results from the sampling program and assessment from the IP survey will be utilized to delineate drill targets for the 2024 exploration season.

On June 6, 2018, the Company announced results of a revised and updated Preliminary Economic Assessment ("PEA") for the property. The amended and restated PEA, prepared in accordance with NI 43-101, is available in the Company's disclosure record located on SEDAR (www.sedar.com). The PEA estimated that the project will carry a 9-year mine life with a 1.6-year payback period.

The PEA describes a 74,000 tonnes per year seasonal, open-pit mining operation and conventional flotation mill which would produce a combined gold/silver/tellurium concentrate. The Project may be permitted under the Mines Act of BC as a small mine, without the requirement for a provincial environmental assessment (EA) as the project mining tonnage does not exceed the legislated reviewable project threshold of 75,000 tonnes per year. Waste to ore cut-offs were determined using metal prices of US$1,300 per ounce gold, US$17 per ounce silver, US$100 per kilogram tellurium, US$3 per pound copper and $1 per pound zinc for net smelter return calculations. Net smelter return cut-off for the PEA pit delineated resource was assumed to be $29/tonne.

The initial capital cost of the Project is estimated to be $28.3 million. Average mine, process and G&A operating costs over the Project's life (including pre-stripping and waste handling) are estimated to be $94 per tonne milled. A base case economic evaluation was undertaken incorporating historical three-year trailing averages for metal prices as of May 31, 2018.

It should be noted that this PEA is preliminary in nature as it includes inferred mineral resources which are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the PEA forecast will be realized or that any of the resources will ever be upgraded to reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

The Company also received approval for a five-year exploration permit in addition to its intended permit application for a 10,000 ton bulk sample. The permit will be used for drilling and other exploration to expand the property's current NI 43-101 resource of gold, silver and tellurium. In August 2020, the Company engaged environmental consultants to undertake preliminary environmental assessments relating to the bulk sampling and geological and engineering consultants to further the bulk sample permitting.

Exploration programs conducted during the year included an IP survey and sampling. Results from these programs, and the assays resulting therefrom, are being utilized to define drill targets for a 2025 drill program.

Colorado Klondike Property

Assay results from sampling conducted on the property are currently being interpreted in order to define drill targets for a 2025 drilling campaign, as well as sampling on new claims acquired in fiscal 2023.

Cheona Metals Inc.

The Company entered into a partnership with a First Nation entrepreneur, forming a company, Cheona Metals Inc. ("Cheona Metals"), in which it holds a 49% equity interest. Cheona Metals will focus on exploration in highly prospective areas in northern British Columbia.

In July 2020, Cheona Metals undertook prospecting activity near the "Golden Horseshoe" or "Golden Triangle" region of northern British Columbia. The prospecting focused on ground that had seen little, if any, prior investigation by prospectors. Cheona Metals has one mineral claim in the Atlin District of British Columbia totaling 457 hectares.

PyroDelta Energy Corp.

The Company has now completed its acquisition of an addition 24% equity interest in PyroDelta Energy Corp. ("PyroDelta"), resulting in a 75% equity interest. PyroDelta has developed a thermoelectric generator which has reached the prototype phase, and is focused on potential uses in the renewable energy and automotive industries.

Cheona Health Inc.

The Company entered into a partnership Cheona Health Inc. (“Cheona Health”), in which it holds a 49% equity interest. Cheona Health’s focus is to help Indigenous and other communities in Canada achieve better health and well-being. Cheona Health Inc. is inactive and valued at $nil, and was administratively dissolved on November 15, 2024.

Revenue and Expense Summary

Expenses – Three Months Ended January 31, 2025

General and administrative expenses totaled $359,508 for the three months ended January 31, 2025 compared to $798,128 for the three months ended January 31, 2024. Details of the largest changes and significant general and administrative items are as follows:

- Advertising and promotion decreased by $113,670 to $58,600 from $172,270 and is due refocused efforts on more effective means of promotion.
- Consulting fees decreased by $24,766 to $33,741 from $58,507, mainly the result of the termination of a consulting arrangement with a former director.
- Investor relations and shareholder information increased by $88,575 to $110,813 from $22,238. The increase is attributable to an increase in market-making and investor relations efforts as well as increased participation in conferences.
- Office and miscellaneous expenses decreased by $5,375 to $5,338 from $10,713, due to seasonal decreases in general office expenses.
- Professional fees increased by $22,890 to $40,522 from $17,632, resulting from an increase in general corporate legal fees and disbursements incurred throughout the period due mainly to patent and registration costs and increased audit fees over the prior year.
- Regulatory and filing fees decreased by $5,577 to $9,039 from $14,616, a result of a reduction in transfer activity.

Interest expense increased to $8,724 for the three months ended January 31, 2025 compared to $6,653 for the same period 2024, a result in compounding of interest on loans payable.

Exploration Expenses

The Company incurred no exploration expenses of during the three months ended January 31, 2025 (2024 - $207,633), due to a reduction in exploration expenditures incurred on the Deer Horn property.

Expenses – Six Months Ended January 31, 2025

General and administrative expenses totaled $698,743 for the six months ended January 31, 2025 compared to $1,575,601 for the six months ended January 31, 2024. Details of the largest changes and significant general and administrative items are as follows:

- Advertising and promotion decreased by $43,874 to $129,396 from $173,270 and is due refocused efforts on more effective means of promotion.
- Consulting fees decreased by $48,331 to $82,110 from $130,441, mainly the result of the termination of a consulting arrangement with a former director.
- Investor relations and shareholder information increased by $133,669 to $177,487 from $43,818. The increase is attributable to an increase in market-making and investor relations efforts as well as increased participation in conferences.
- Office and miscellaneous expenses decreased slightly by $829 to $10,982 from $11,811, due to seasonal decreases in general office expenses.

- Professional fees increased by $33,544 to $53,410 from $19,866, resulting from an increase in general corporate legal fees and disbursements incurred throughout the period due mainly to patent and registration costs and increased audit fees over the prior year.
- Regulatory and filing fees decreased by $2,648 to $15,718 from $18,366, a result of a reduction in transfer activity.

Interest expense increased to $17,308 for the six months ended January 31, 2025 compared to $13,714 for the same period 2024, a result in compounding of interest on loans payable.

Exploration Expenses

The Company incurred exploration expenses of $17,705 during the six months ended January 31, 2025 (2024 - $797,251), due to a reduction in exploration expenditures incurred on the Deer Horn property.

Summary of Quarterly Results

Quarter Ended	2025 Jan. 31 Q2 $	2024 Oct. 31 Q1 $	2024 July 31 Q4 $	2024 Apr. 30 Q3 $	2024 Jan. 31 Q2 $	2023 Oct. 31 Q1 $	2023 July 31 Q4 $	2023 Apr. 30 Q3 $
G&A Expenses (recoveries)	398,508	339,235	411,761	502,973	605,761	777,473	608,563	390,955
Share-based payments	-	-	-	-	192,367	-	-	-
Loss and comprehensive loss	398,508	339,235	411,761	502,973	798,128	777,473	453,165	390,955
Net Loss per share	$0.01	$0.01	$0.01	$0.01	$0.01	$0.01	$0.02	$0.01
per share (diluted)	-	-	-	-	-	-	-	-
Total Assets	2,185,327	1,645,726	988,094	1,062,703	1,272,106	1,755,726	1,712,998	2,109,570
Working Capital (Deficiency)	(46,692)	(754,794)	(2,210,337)	(902,260)	(496,610)	(102,023)	317,278	898,647
Share Capital:								
Authorized	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Outstanding	115,018,834	106,958,444	91,760,331	91,760,331	91,135,331	90,235,331	86,320,331	86,320,231
Warrants	14,146,909	13,531,000	13,531,000	13,531,000	34,862,500	36,162,500	33,937,500	34,231,000
Options	7,452,894	5,683,000	6,750,000	6,750,000	6,750,000	4,600,000	4,600,000	4,600,000

The variation in quarterly losses has been relatively stable throughout the prior quarters and quarterly increases are due mainly to period expenses incurred for share-based payments, seasonal exploration programs and promotional campaigns, however; Q3 and Q4 saw gradual decreases due to lower levels of general corporate and exploration activity. It is anticipated that the Company will maintain its current expenditure levels until such time as increased levels of activity in these areas are warranted due to increased market activity, however; exploration plans for 2025 will likely increase losses in future quarters.

Liquidity and Capital Resources

First Tellurium is currently in the exploration stage and earns no revenue from operations. The Company invests its cash and cash equivalents with major Canadian financial institutions with investment grade credit ratings. First Tellurium has no outstanding bank debt as at January 31, 2025.

As at January 31, 2025, the Company has interest-bearing debenture loans in the principal amount of $182,000. The loans bear an annual interest rate of 10%, payable annually to the debenture holders and mature on March 2, 2021. The Company was previously not in compliance with the terms of the loan as it has not paid the annual interest to the debenture holders in accordance with the terms of the loan, resulting in the loans being due on demand. In fiscal 2018, the Company made the required interest payments under the loan agreements, however; the Company has not received a waiver of the previous breach of terms and, accordingly, the loans are presented as current. The Company is therefore currently in default for interest payments due for the two most previously-ended fiscal years.

In fiscal 2024, the Company received loans payable in the amount of $518,237 from an arm's length party. The loans are non-interest bearing and carry no fixed terms of repayment.

In fiscal 2024, the Company received loans payable in the amount of $187,000 from a director and officer of the Company. The loans are non-interest bearing and carry no fixed terms of repayment. As at January 31, 2025, these loans have been repaid in full.

At January 31, 2025, First Tellurium had $1,354,956 in cash and cash equivalents (July 31, 2024 - $12,602) and working capital of $(46,692) (July 31, 2024 – working capital deficiency of $2,210,337). Additional debt or equity financing will be required to meet the Company's business objectives, to address its ongoing losses and to service its debt.

First Tellurium assesses its financing requirements and its ability to access debt or equity markets on an ongoing basis. Given the current conditions of the financial markets, the company will seek to maintain financial flexibility and will monitor and assess its financing requirements as its activities progress. The Company's ability to access the equity or debt markets in the future may be affected by prolonged market instability. The inability to access the equity or debt markets for sufficient capital, at acceptable terms, and within required timeframes, could have a materially adverse effect on the Company`s financial condition, results of operations and prospects.

Future exploration and subsequent development of the Company's properties beyond currently planned expenditures will depend on the Company's ability to obtain additional financing. The Company has limited financial resources and there is no assurance that additional funding will be available which could result in the delay or indefinite postponement of further exploration.

The Company's financial performance is dependent on many external factors. The Company expects that any revenues it may earn from its operations in the future will be from the sale of minerals. Both prices and markets for metals and minerals are cyclical, difficult to predict, volatile, subject to government price fixing and controls and respond to changes in domestic and international political, social, and economic environments. In addition, the availability and cost of funds for exploration, development and production costs are difficult to predict. These changes in events could materially affect the financial performance of the Company.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions - Key Management Compensation

The Company's related parties consist of companies with directors and officers in common and companies owned in whole or in part by executive officers, directors or close family members of those individuals as follows:

Name	Nature of transactions
Docherty Capital Corp. (Tyrone Docherty)	Management fees charged as CEO, expense allowances, share-based compensation
Saulnier Business Consulting LLC (Pamela Saulnier)	Management fees charged as CFO, expense allowances, share-based compensation
Allen Schwabe	Directors fees
Matt Wayrynen	Directors fees, share-based compensation
Frederick Jung	Directors fees, share-based compensation

The Company incurred the following fees with individuals and / or companies owned, or partially owned, by key management which the Company defines as officers and directors.

For the period ended	Jan. 31, 2025	Oct. 31, 2023
Management fees CEO	$ 120,000	$ 60,000
Management fees CFO	24,000	12,000
Consulting fees	-	15,000
Rent (included in office and miscellaneous)	9,000	4,500
Total	$ 153,000	$ 91,500

The Company owes amounts to key management personnel and other related parties as follows:

Three months ended October 31,	2025	2024
Due to key management or companies controlled by key management personnel	$ 20,900	$ 29,900
Total	$ 20,900	$ 29,900

Balances owed to related parties are unsecured and non-interest bearing. Included in prepaid expenses $61,622 (2023 - $57,431) paid to key management.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Classification of financial instruments

Financial instruments measured at fair value are classified into one of three levels using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value ("FV") hierarchy has the following levels:

Level 1- quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2- inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e.; as prices) or indirectly (i.e.; derived from prices); and

Level 3- inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash, receivables, reclamation deposit, accounts payable and accrued liabilities, loans payable, lease liability and due to related parties.

Fair values

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The fair value of cash is measured at Level 1 of the fair value hierarchy. The carrying value of receivables, reclamation deposit and accounts payable and accrued liabilities, loans payable, lease liability and due to related parties approximate their fair value because of the short term nature of these instruments.

Financial instrument risk exposure and risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance. The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash and receivables. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The Company's receivables consist primarily of tax receivables due from federal government agencies. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances or debt financings. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company is exposed to liquidity risk.

Interest rate risk

The Company has cash balances but no external debt. The Company's current policy is to invest excess cash in investment grade short-term demand deposit certificates issued by its banking institutions. The company periodically monitors the investments it makes and is satisfied with the credit rating of its banks. The Company is marginally exposed to interest rate risk.

Foreign currency risk

The Company is not exposed to foreign currency risk.

Commodity price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

OTHER MD&A REQUIREMENTS

Additional Disclosure for Venture Issuers without Significant Revenue:

The following is a breakdown of the material costs incurred:

	Six months ended Oct. 31, 2024	Three months ended Oct. 31, 2023
General and Administration Expenses	**$ 339,235**	**$ 777,473**

Disclosure of Outstanding Share Data

The Company's authorized share capital consists of unlimited common shares without par value.

As at January 31, 2025 and April 1, 2025, the Company had 115,018,834 issued and outstanding common shares.

The following is a summary of stock options outstanding as at April 1, 2025 and January 31, 2025:

Expiry Date	Exercise Price Per Share	Number of Shares Remaining Subject to Options (April 1, 2025)	Number of Shares Remaining Subject to Options (January 31, 2025)
April 5, 2028	$0.14	450,000	450,000
March 6, 2030	$0.10	650,000	650,000
August 6, 2030	$0.10	150,000	150,000
October 4, 2030	$0.11	650,000	650,000
October 18, 2030	$0.11	600,000	600,000
August 23, 2032	$0.19	100,000	100,000
December 31, 2032	$0.14	1,200,000	1,200,000
January 9, 2034	$0.10	1,883,000	1,883,000
Total		5,683,000	5,683,000

The following is a summary of warrants outstanding as at January 31, 2025 and April 1, 2025:

Expiry Date	Exercise Price Per Share	Number of Shares Remaining Subject to Warrants (April 1, 2025)	Number of Shares Remaining Subject to Warrants (January 31, 2025)
October 30, 2025	$0.15	1,890,000	1,890,000
December 22, 2025	$0.15	335,000	335,000
October 15, 2026	$0.15	3,172,995	3,172,995
December 9, 2026	$0.15	615,909	615,909
Total		7,452,894	7,452,894

Management Responsibility for the Financial Statements

The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by these filings, and these financial statements together with the other financial information included in these filings. The Board of Directors approves the Financial Statements and MD&A and ensures that management has discharged its financial responsibilities.

Additional Information

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca.