

**MATERIAL CHANGE REPORT**

1. **Name and Address of Company:**

First Tellurium Corp.  
381 – 1440 Garden Place  
Delta, BC V4M 3Z2

2. **Date of Material Change:**

August 25, 2022

3. **Press Release:**

A News Release dated and issued on August 25, 2022 at Vancouver, BC, through Executive Business Services and SEDAR.

4. **Summary of Material Change:**

First Tellurium Secures Drilling Team for Exploration in Colorado and British Columbia

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 25, 2022

## NEWS >>>

### **First Tellurium Secures Drilling Team for Exploration in Colorado and British Columbia**

**Vancouver, BC, Canada, August 25, 2022** – First Tellurium Corp. (CSE: FTEL) (the “Company” or “First Tellurium”), reports that it has secured Canadian Remote Drilling Services (“CRDS”) of Maple Ridge, BC and Las Vegas, Nevada to conduct exploration drill campaigns at both the Klondike tellurium-gold project in Colorado and the Deer Horn tellurium-gold-silver project in British Columbia.

FTEL’s immediate focus is at the Deer Horn Project, while the Klondike campaign is expected to launch later this year.

“Canadian Remote Drilling, led by Phil McLean, is a highly-regarded operator with over forty years of experience worldwide,” said First Tellurium President and CEO Tyrone Docherty. “We’re fortunate to have secured their services, especially considering the tight market for quality drilling companies.”

Docherty noted that CRDS also manufactures leading edge drills used by a number of major mining companies. “Considering CRDS’ experience, technical know-how and track record, we’re confident that the program will be managed efficiently and professionally. We look forward to working with Mr. McLean and his team.”

Drilling at the Colorado Klondike property will follow up on high-grade showings of both tellurium and gold identified through exploration by First Solar Inc. as part of their tellurium exploration initiative in the mid-2000s. During that time, First Solar performed geophysics, sampling, drill targeting, and permitting at Klondike. Following a corporate mandate to terminate their exploration initiative and source tellurium through open markets, First Solar dropped Klondike prior to drilling the identified targets. The property was then acquired by FTEL’s Colorado Project Manager John Keller, P.Geo, who had managed Klondike exploration for First Solar. Mr. Keller, along with others who worked for First Solar at Klondike, will direct the upcoming drill program for FTEL.

As reported in the *2015 Colorado Mineral and Energy Industry Activities 2014-2015* publication, surface sampling by First Solar in 2006 found very high tellurium grades of up to 3.3% (33,000 ppm), along with locally high gold grades. The report noted that Tellurium grades at Klondike were the highest encountered in the First Solar’s nationwide exploration program.

“With the growing focus on critical metals for green energy, the Klondike Property really stands out for its high-grade tellurium showings,” said Docherty. “There’s a good reason First Solar wanted Klondike to help supply tellurium for their cadmium-telluride solar panel production. They completed a lot of high-quality exploration, from which we’re now benefitting.”

Near-term drilling at the Deer Horn Project, located south of Imperial Metals’ Huckleberry Mine and Surge Copper’s Ootsa-Berg Project, is expected to focus on the copper porphyry showings reported in FTEL’s August 23 news release. The objective is to gain a better understanding of potential porphyry systems related to these targets.

Drilling at Deer Horn in 2023 is targeted to further evaluate the known Te-Ag-Au resource, as recommended in the 2018 Preliminary Economic Assessment.

“We’re very excited about taking these next steps at Deer Horn and learning more,” said Docherty. “The copper targets span a very large area, and the current identified tellurium, silver and gold resource occupies only 450 meters of a 2.4 kilometer-long surface expression.”

In a 2012 presentation to the International Minor Metals Conference in Cologne, Germany, First Solar identified Deer Horn as one of the world’s top four primary tellurium properties, comparing Deer Horn to projects in China, Mexico and Sweden.

“Combining the drill campaigns on both properties, including current copper porphyry investigations underway at Deer Horn, we expect an active exploration pipeline over the coming 12-18 months,” said Docherty. “We look forward to sharing news and results with our shareholders.”

### **About First Tellurium Corp.**

First Tellurium’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 (tellurium, gold, silver copper, tungsten) Deer Horn Project in British Columbia and Klondike tellurium-gold property in Colorado anchor a diversified search for metals, working in alliance with Indigenous peoples, NGOs, governments and leading metals buyers. This is the future of mineral exploration: generating revenue by exploring responsibly and leveraging diverse partnerships.

First Tellurium 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  
First Tellurium Corp.

“Tyrone Docherty”

Tyrone Docherty  
President and CEO

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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.*