

**FORM 51-102F3**

**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:**

November 17, 2022

3. **Press Release:**

A News Release dated and issued on November 17, 2022 at Vancouver, BC, through Executive Business Services and SEDAR.

4. **Summary of Material Change:**

First Tellurium Closes First Tranche of Private Placement, Provides Exploration and Regional Development Updates for Deer Horn

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:**

November 17, 2022

## NEWS >>>

# First Tellurium Closes First Tranche of Private Placement, Provides Exploration and Regional Development Updates for Deer Horn

## Flow-Through Shares Will Help Fund Planned 2023 Drilling at Deer Horn

**Vancouver, BC, Canada, November 17, 2022** – First Tellurium Corp. (CSE: **FTEL**, OTC **FSTTF**) (the “Company” or “First Tellurium”) announces it has closed the first tranche (the “First Tranche”) of a non-brokered private placement (the “Offering”) [previously announced](#) on October 16, 2022. The Company has issued 2,600,000 flow-through shares (the “Flow-through Shares”) at a price of \$0.14 per share for gross proceeds of \$364,000 and 400,000 units (the “Units”) at a price of \$0.10 per unit for gross proceeds of \$40,000. Each Unit consists of one common share and one common share purchase warrant exercisable at \$0.15 for a period of two years following the close of the Offering.

The financing will help fund drilling and other exploration at First Tellurium’s Deer Horn Project in 2023.

Tyrone Docherty, President, CEO and a director of the Company (the “Insider”), participated in the Offering through the purchase by his private company, Docherty Capital Corp., of 1,800,000 Flow-Through Shares for gross proceeds of \$252,000. Participation by the Insider in the Offering is considered a “related party transaction” pursuant to Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“MI 61-101”). The Company is exempt from the requirements to obtain a formal valuation and minority shareholder approval in connection with the Insider's participation in the Offering in reliance of sections 5.5(a) and 5.7(a) of MI 61-101, respectively, on the basis that participation in the Offering by the Insider did not exceed 25% of the fair market value of the Company’s market capitalization. The Company did not file a material change report at least 21 days prior to the closing of the Offering as participation of the Insider had not been confirmed at that time.

No commissions or finder’s fees were paid in connection with the First Tranche closing.

Mr. Docherty’s share purchase equals 62% of the first tranche funding. “I have been here before, and I’m confident we have something amazing at Deer Horn,” said Docherty. “Dr. Lee Groat’s analysis of this fall’s surface and channel sampling, along with our contract driller Phil McLean’s assessments based on his forty-plus years of worldwide experience—especially with copper porphyries—tell me our 2023 drilling stands a very good chance of moving the property to a whole new level. As I’ve done from the start, I back my confidence with investment. It’s why I remain the company’s biggest investor.”

### **Copper Porphyry Mineralization Confirmed at Deer Horn**

First Tellurium’s [2022 exploration](#) at Deer Horn confirmed the presence of copper porphyry mineralization. This information is informing drill hole targets for the 2023 season.

“We know that in situations like these, especially with porphyry systems, even one or two drill holes can produce company-making results,” said Docherty. “Earlier this month, American Eagle Gold increased its market value over 800 percent based on just one drill hole at its NAK copper porphyry project north of Deer Horn. This isn’t a surprise to me, as we sold Quinto Mining to Consolidated Thompson Iron Mines in 2008 for \$175 million based on just two drill holes.”

## **On the Stikine Island Arc Terrane**

Docherty added that, like Deer Horn, the NAK project lies on the [Stikine Terrane](#) which hosts many of British Columbia's copper porphyry deposits, including Imperial Metals' Huckleberry Mine and Surge Copper's Berg project—both lying approximately 36 kilometers north of Deer Horn. Surge recently announced it was launching a Preliminary Economic Assessment at Berg.

"We know we're in the right place with Deer Horn," said Docherty. "This part of the Stikine Terrane is emerging as a new major copper play. Recently Leif Nilsson, Surge Copper's CEO, noted that the district has significant untapped exploration potential and could one day be among the largest copper districts in Canada. We are convinced of the same."

## **FTEL's New Website, Presentation and Video**

We're excited to announce the launch of our new [website](#), where you'll find information about our company and properties. In addition, we have also released a new animated pitch deck, which you can find [here](#). This presentation provides an overview of our business and future opportunities. Finally, we have also released a new explainer video, which you can find [here](#). This video dives into the details of our properties and how they can benefit First Tellurium Investors.

## **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

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.*