

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:**

January 18, 2023

3. **Press Release:**

A News Release dated and issued on January 18, 2023 at Vancouver, BC, through Executive Business Services and SEDAR.

4. **Summary of Material Change:**

First Tellurium Plans Geophysical Survey at Deer Horn in 2023

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:**

January 18, 2023

NEWS >>>

First Tellurium Plans Geophysical Survey at Deer Horn in 2023

Induced Polarization (IP) will help develop drill targets for 2023 campaign, while property-wide soil sampling will test new ground at Deer Horn.

Vancouver, BC, Canada, January 18, 2023 – First Tellurium Corp. (CSE: **FTEL**, OTC **FSTTF**) (the “Company” or “First Tellurium”), reports the Company is finalizing plans to conduct induced polarization (IP) geophysics on the Deer Horn Project during the 2023 exploration season. The program is designed to help develop drill targets for a planned campaign this summer. Deer Horn is located in West-central BC, 36 km south of the Huckleberry Cu-Mo mine and 135 km southwest of the community of Burns Lake.

The IP survey will follow up on successful rock sampling, channel sampling and prospecting conducted in 2022, which identified a possible 1.1-kilometer (.7 miles) extension of the existing 2.4-kilometer (1.5 miles) gold-silver-tellurium vein system. This system may now extend a total of 3.5 kilometers (2.2 miles).

Drill targets from the IP survey will augment additional drill targets, identified in the Deer Horn Preliminary Economic Assessment (PEA) as “...infill and tightly-spaced step-out diamond drilling focused both on upgrading and expanding the existing resource.”

The upcoming season at Deer Horn will also include a planned, property-wide soil sampling program led by First Tellurium QP and Advisor Dr. Lee Groat and a team of University of British Columbia grad students. Due to receding glaciers, a significant amount of ground is now open that has never been explored.

“We’re looking forward to active seasons at both our Deer Horn and Klondike tellurium projects,” said First Tellurium President and CEO Tyrone Docherty. “At Deer Horn, the combination of geophysical work, drilling and soil sampling will give us a wealth of crucial data to move the property forward. Deer Horn has never undergone exploration of this magnitude, and I’m confident we will have positive news to share as the season progresses.”

Docherty added, “We’re currently in the planning stages for work at the Colorado Klondike property. Data and interpretations from soil sampling in 2022 are informing a Phase 1 drilling program planned there for 2023.”

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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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.