

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:**

February 14, 2023

3. **Press Release:**

A News Release dated and issued on February 14, 2023 at Vancouver, BC, through Executive Business Services and SEDAR.

4. **Summary of Material Change:**

First Tellurium Acquires Drill for Deer Horn Exploration

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:**

February 14, 2023

NEWS >>>

First Tellurium Acquires Drill for Deer Horn Exploration

New drill will provide economic and strategic advantages for planned drilling campaigns.

Vancouver, BC, Canada, February 14, 2023 – First Tellurium Corp. (CSE: **FTEL**, OTC **FSTTF**) (the “Company” or “First Tellurium”), reports purchase of a new diamond drill to support planned drilling at the Company’s Deer Horn tellurium-gold-silver project in west central British Columbia. The drill, built by Canadian Recon Manufacturing of Maple Ridge, BC, was designed specifically for power and portability and is considered ideal for the needs at Deer Horn. The drill was purchased in a shares-only transaction from an Alaskan contractor that had never used it. The consideration totaled 2,000,000 First Tellurium shares at a deemed price of \$0.235 per share. The shares issued in connection with this asset purchase are subject to a hold period expiring June 11, 2023, in accordance with applicable Canadian securities laws and the policies of the CSE.

“This model was designed originally for drilling at a mineral project in Alaska,” said Phil McLean, owner of Canadian Recon. “It’s easy to transport by helicopter, simple to set up, very powerful, and it drills to 900 meters (3,000 feet). This is a turnkey setup and should allow First Tellurium to begin drilling quickly once conditions allow this summer.”

McLean added that Canadian Recon’s drills are known for durability and dependability. They have operated on hundreds of projects for over 30 years in North and South America, Central America, and Africa.

First Tellurium President and CEO Tyrone Docherty noted there are numerous advantages to purchasing a drill for the Deer Horn Project, including logistics and economics.

“Based on current costs for drilling contracts, we’re confident the drill will pay for itself in the first year,” said Docherty. “We will keep the drill on site, which also provides major savings in transport costs as well as mobilization time. Also, the drill’s easy portability by helicopter and its ability to drill deep make it ideal for our plans at Deer Horn.”

First Tellurium plans to test new targets identified during the 2022 season, as well as pre-existing drill targets identified in the 2018 Preliminary Economic Assessment.

Docherty noted that the shares-only transaction was due to the seller’s knowledge of the Deer Horn property. “Having studied the results at Deer Horn, their management believed there was substantial investment opportunity by acquiring shares instead of being paid cash.”

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:

Tyrone Docherty
604.789.5653
tyrone@firsttellurium.com

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.