

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:**

August 16, 2023

3. **Press Release:**

A News Release dated and issued on August 16, 2023 at Vancouver, BC, through The Newswire and SEDAR.

4. **Summary of Material Change:**

First Tellurium Confirms Structural Connection Between Copper Porphyry and Gold-Silver-Tellurium Systems at 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:**

August 16, 2023

NEWS >>>

First Tellurium Confirms Structural Connection Between Copper Porphyry and Gold-Silver-Tellurium Systems at Deer Horn

Mineralized veins on either side of the property are likely a part of a larger ore forming process that generated both mineralized systems.

Vancouver, BC, Canada, August 16, 2023 – Dr. Lee Groat, Consulting Geologist and Qualified Person (“QP”) for First Tellurium Corp. (CSE: FTEL, OTC: FSTTF), reports that an extensive mapping and sampling program at the Company’s Deer Horn property in west-central British Columbia has confirmed a crucial structural connection between the property’s Pond copper porphyry and gold-silver-tellurium systems. The mapping and sampling program is being conducted by a team of graduate students from the University of British Columbia and the University of St. Andrews, under the direction of Dr. Groat.

Preliminary results from the 2023 work confirm that the primary structure within the Deer Horn property is a large, east-west trending thrust fault. Historically, mineral exploration has focused on the southeastern part of the property, where high grade gold-silver-tellurium (Au-Ag-Te) mineralization is predominantly located in quartz veins associated with this thrusting event. More recently, due to glacial recession, new sites in the northwestern part of the property have been uncovered, where significant copper mineralization has been observed at the Pond showing and adjacent areas. This is thought to be part of a new porphyry copper system, potentially similar to the nearby Huckleberry Mine.

New lithological and structural mapping in 2023 observed this thrust fault in previously unmapped localities; a moderate dip of 40° S was recorded (Fig. 1). Throughout the mapping program to date, approximately 200 additional structural measurements were taken of primarily sulfide bearing-veins across the property. Distinct groupings were observed over several generations of vein formation. The main groupings of sulfide-bearing veins intersect each other at 60° along the thrust plane (Fig. 1). These veins appear to be part of a conjugate extensional regime that relieved the compressional stress of the thrust fault.

Importantly, these orientations appear to be consistent throughout the property across several lithological units. This suggests that these spatially separate mineralized veins on either side of the property formed as a result of the same structural regime and are likely a part of a larger ore forming process that generated both the Deer Horn Au-Ag-Te and Pond copper porphyry mineralization.

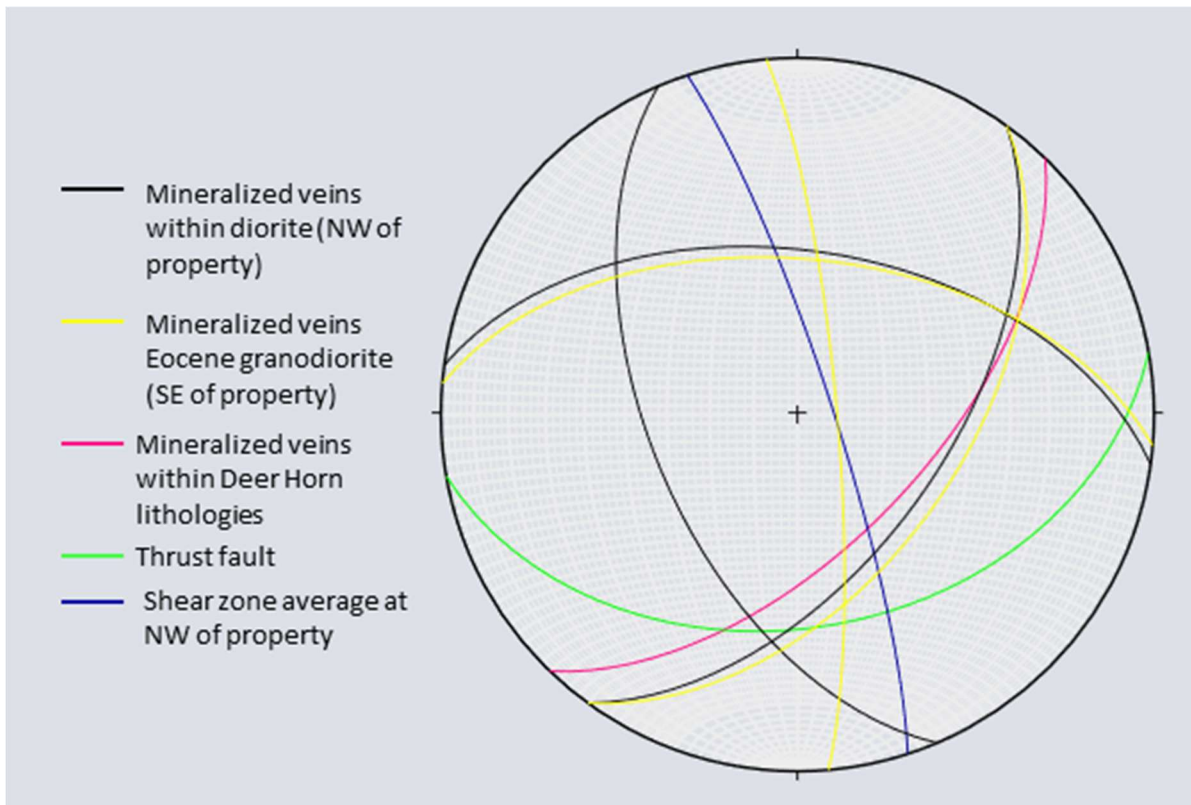


Figure 1. Stereonet plotting distinct vein groupings (averaged) across the Deer Horn property. Here the thrust fault (green) is intersected by conjugate faults and veins found at Pond (porphyry copper - black) and Deer Horn (red and yellow). A major fault zone running through Pond (blue) also appears to be a site of intense mineralization. Measurements were plotted using the Stereonet 11 software created by Dr. Rick Allmendinger of Cornell University.

Qualified Person

The Company's disclosure of technical or scientific information related to the Deer Horn Project in this news release was reviewed and approved by Prof. Lee Groat, Ph.D, P.Geo, Technical Advisor to First Tellurium, who is a qualified person within the context of NI 43-101.

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 Klondike tellurium-gold property in Colorado and polymetallic Deer Horn Project in British Columbia 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. First Tellurium is listed on the Canadian Stock Exchange under the symbol

“FTEL” and on the OTC under the symbol “FSTTF”. Further information about FTEL and its projects can be found on www.firsttellurium.com.

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.