

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 31, 2023

3. **Press Release:**

A News Release dated and issued on August 31, 2023 at Vancouver, BC, through The Newswire and SEDAR.

4. **Summary of Material Change:**

First Tellurium Mapping at Deer Horn Reinforces Copper Porphyry Profile and Provides Key Targets for September Drilling

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 31, 2023

NEWS >>>

First Tellurium Mapping at Deer Horn Reinforces Copper Porphyry Profile and Provides Key Targets for September Drilling

IP Survey in September and Follow-Up Drill Campaign Will Augment Current Program

Vancouver, BC, Canada, August 31, 2023 – Dr. Lee Groat, Consulting Geologist and Qualified Person (“QP”) for First Tellurium Corp. (CSE: FTEL, OTC: FSTTF), reports that the property-wide mapping and sampling program at the Company’s Deer Horn property in west-central British Columbia has reinforced a key porphyry alteration model and provided drill targets for the mid-September drill program. As reported [August 16](#), the mapping and sampling have already confirmed a crucial structural connection between the property’s Pond copper porphyry and gold-silver-tellurium systems.

“The location and orientation of both the Pond and Saddle porphyry zones align with well-established porphyry alteration zone models,” said Dr. Groat. “The alteration zones observed on surface indicate that a potassic zone lies in the subsurface at the Pond area. This is one of the key markers for a mineralized copper porphyry.”

Groat added: “All of this information reinforces the premise that Deer Horn supports a copper porphyry system in an area that has never been drilled. The initial drilling in September will give us further crucial information.”

The sampling team, consisting of graduate students from the University of British Columbia and the University of St. Andrews, collected 130 rock samples from the property. Of the 130 samples, 119 are in for assays and four are undergoing U-Pb zircon geochronology to help understand the age of the rocks and the sequence of geological events. Five samples are receiving thin-section petrographic analysis, and 10 are undergoing X-ray powder diffraction analysis.

“The X-ray diffraction is incredibly useful for sorting out mineralogy,” said Groat. “It will go a long way in helping us understand where we are in the porphyry model profile.”

The September drill program is planned to consist of one drill pad in the Pond zone and two drill pads in the Saddle-New vein area. The objective at the Pond Zone is to intersect disseminated mineralization, which would help locate the main ore zone in the subsurface. In the Saddle area, the objective is to intersect disseminated mineralization, multiple mineralized veins and the thrust fault.

“Obviously, we’re all very pleased with the information that’s emerging from Deer Horn,” said First Tellurium President and CEO Tyrone Docherty. “Knowing now that the porphyry and the main gold-silver-tellurium vein systems are connected turns this into a significant target covering a vast amount of ground. The Pond Zone and Main Vein system are five kilometers apart. This all adds to our information base for the bigger drill program to follow.”

The sampling, drilling and upcoming IP survey at Deer Horn are all designed to support a follow-up drill program, expected to test the extent of the mineralization between the Deer Horn and Pond showings and to study how the systems at Deer Horn and Pond are related. Further drilling at the Pond zone will help to understand the subsurface extent of the porphyry system and its associated mineralization.

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.