

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:**

December 13, 2023

3. **Press Release:**

A News Release dated and issued on December 13, 2023 at Vancouver, BC, through The Newswire and SEDAR.

4. **Summary of Material Change:**

Toyota the Latest Auto Giant to Announce Solid-State EV Batteries

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:**

December 13, 2023

NEWS >>>

Toyota the Latest Auto Giant to Announce Solid-State EV Batteries

First Tellurium partner Fenix continues to advance their lithium-tellurium solid-state battery with the University of British Columbia

Vancouver, BC, Canada, Dec 13, 2023 – First Tellurium Corp. (CSE: **FTEL**, OTC: **FSTTF**), reports that recent announcements about development of solid-state batteries (SSBs) for electric vehicles, most recently from [Toyota](#) but also from [Stellantis](#), [Hyundai](#) and [Volkswagen](#), highlight how SSBs are ushering in the next major advancement in EV technology. SSBs promise far greater efficiency and range (reportedly over 900 miles/1448 kms), shorter charge times and lighter weight. Concurrently, First Tellurium’s strategic partner Fenix Advanced Materials of Trail, British Columbia, a world leader in the manufacture of ultra-high purity metals, continues to advance its lithium-tellurium (LiTe) SSB developed in partnership with UBC Okanagan (as reported [March 2022](#) and [Sep 2022](#)). The Fenix SSB will have far higher charging capacity, much smaller size, a battery life up to 400% that of lithium-ion batteries with no chance of catching fire.

The number of lithium-ion battery-based fires is growing with enormous frequency worldwide. In Toronto, the number of lithium-ion battery fires has [nearly doubled](#) in 2023, according to Toronto Fire Services. Typically, an EV fire burns at roughly 5,000 degrees Fahrenheit (2,760 Celsius), while a gasoline-powered vehicle on fire burns at 1,500 F (815 C). It takes about 2,000 gallons of water to extinguish a burning gasoline-powered vehicle; putting out an EV fire can take 10 times more.

"Solid-state batteries are the Holy Grail for EV Companies," said Fenix CEO Don Freschi. "They're far more efficient. Far safer. This is why our focus (Fenix/UBCO) has been on combining the most powerful anode and cathode materials like lithium, tellurium and sulfur, with a solid-state electrolyte."

"Toyota's announcement underscores our belief that solid-state batteries represent the future of widescale EV deployment," added First Tellurium President and CEO Tyrone Docherty. "The advancements in efficiency and safety are game-changers, especially with respect to batteries catching fire. This is why we continue to support Fenix as they bring their lithium-tellurium battery to market."

Toyota says its breakthrough batteries will hit the market in 2027 or 2028, giving its EVs 745 miles/1,200 kms) of range—greater than any gas-powered car today—with 10-minute charging times. Toyota's longer-view plans include vehicles with a 932-mile/1500 km range and charging times of less than 10 minutes. In comparison, the best-selling EV today, the Tesla Model Y, has a maximum 330-mile range and 15-minute charging via Tesla Supercharger.

The Fenix/UBCO collaboration, part of The Pacific Institute for Climate Change (PICS) [Opportunity Projects Program](#), is helping researchers in UBCO's Advanced Materials for Energy Storage Lab design and develop the state-of-the-art LiTe SSBs. UBCO's latest [published research](#) is part of a \$2-million initiative that includes [Mitacs](#). The research investment strengthens Canada's position in emerging solid-

state battery innovation and accelerates electric vehicle (EV) deployment and renewable energy opportunities, says Dr. Jian Liu, an Assistant Professor in the School of Engineering.

“Advancements in solid-state batteries are propelling the EV industry forward,” explained Dr. Liu. “All-solid-state, lithium-tellurium batteries enable higher energy output with an improved safety rating inside a smaller form-factor, thereby expanding its possible applications.”

“We’re grateful to both Fenix and UBC for advancing this research, especially in relation to properties of tellurium that we’re only beginning to understand,” said Docherty. “We look forward to exciting news in 2024.”

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.