

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 5, 2024

3. **Press Release:**

A News Release dated and issued on December 5, 2024 at Vancouver, BC, through The News Wire and SEDAR.

4. **Summary of Material Change:**

First Tellurium's PyroDelta Energy Signs LOI with Fenix Advanced Materials for Supply of High-Purity Critical Metals

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 5, 2024

NEWS >>>

First Tellurium's PyroDelta Energy Signs LOI with Fenix Advanced Materials for Supply of High-Purity Critical Metals

Agreement will ensure domestic, high-quality supply of tellurium and other critical metals to build thermoelectric generators.

Vancouver, BC, Canada, December 5, 2024 – First Tellurium Corp. (CSE: **FTEL**, OTC: **FSTTF**) reports that [Fenix Advanced Materials](#) (Fenix), a world leader in the supply of ultra-high purity metals, has signed a Letter of Intent (LOI) with First Tellurium's 75% owned subsidiary [PyroDelta Energy Corp](#) (PyroDelta) to be the preferred supplier of tellurium and other critical metals for manufacture of PyroDelta's thermoelectric generators. As previously reported by First Tellurium, PyroDelta is developing thermoelectric generators that offer significant advantages over thermoelectric devices currently on the market, including far higher heat tolerances, lighter weight and more robust construction.

"We're very excited about the broad market potential for PyroDelta's thermoelectric technology," said Fenix CEO Don Freschi. "Our intent is to ensure they have a stable, North American supply of all the critical metals required to succeed long term."

As part of the LOI agreement, Fenix will also provide other technical or materials support, as required, to help PyroDelta bring the generators to market and sustain ongoing manufacturing and sales. Fenix, based in Trail, British Columbia, is one of few suppliers in the world producing metals with purities as high as 99.99995%.

"This agreement marks a crucial step in development and manufacturing for PyroDelta as we progress towards securing our initial sales," said First Tellurium President and CEO Tyrone Docherty. "We're especially pleased to be using a domestic critical metals supplier, greatly reducing our chances for supply disruption and keeping the business within North America."

Docherty noted that, considering China's December 3rd [announcement](#) that it would begin banning the export of certain rare minerals to the United States, securing domestic supplies of critical metals becomes more important.

"China is the world's largest producer of tellurium, by far," said Docherty. "And while China hasn't yet indicated intent to restrict tellurium exports, they have that leverage and could certainly use it as this trade war expands. The thermoelectric device requires other critical metals, as well, that could be affected with the latest export bans. In any event, we want to reduce our supply-chain risk while we can."

PyroDelta is presently focused on building thermoelectric generators for the [automobile industry](#), developing a device designed to replace alternators in combustion engines and offer significant savings in fuel consumption. Concurrently, PyroDelta is also developing compact, silent and portable generators for the [emergency and recreational](#) industries as well as for agriculture and drone use in industry and defense.

Cancellation of Annual General Meeting

First Tellurium also announces that it has cancelled its Annual General Meeting (AGM) scheduled for December 31, 2024, and it has been granted an extension by BC Registrar of Companies due to the ongoing Canada Post strike action. The Company plans to hold its meeting in Q2 2025 and will advise shareholders when a new date has been scheduled.

About First Tellurium Corp.

First Tellurium's unique business model is to generate revenue and value through mineral discovery, project development, project generation and development of tellurium-based technologies.

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 at 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.