

# FORM 7

## MONTHLY PROGRESS REPORT

Name of Listed Issuer: FIRST TELLURIUM CORP. (the "Issuer").

Trading Symbol: FTEL

Number of Outstanding Listed Securities: 86,320,331

Date: September 6, 2023

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

### **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

*On August 10, 2023, the Issuer announced that a team of UBC graduate students and the University of St. Andrews (Scotland), under the direction of Professor Lee Groat, were conducting a property-wide mapping and sampling program at the Issuer's Deer Horn property in west-central British Columbia.*

*On August 16, 2023, the Issuer announced that Professor Lee Groat had reported that the aforementioned program has confirmed a structural connection between the Deer Horn property's Pond copper porphyry and gold-silver-tellurium systems. Preliminary results confirm that the primary structure within*

*the Deer Horn property is a large, east-west trending thrust fault. (Refer also to Item 3 below.)*

*On August 31, 2023, the Issuer further announced that the results of the aforementioned program reinforced a key porphyry alteration model and provided drill targets for the Issuer's proposed mid-September drill program. The Issuer also provided more details on the proposed September drill program. (Refer also to Item 3 below.)*

*The Issuer holds an optioned interest in the Colorado Klondike tellurium-gold-silver property located in south-central Colorado under which it may acquire a 100% interest in the property subject to certain royalties.*

*The Issuer has one other property, the "Deer Horn" property, in which it holds a 50% interest. The Issuer is in receipt of a 5-year exploration work permit from the BC Ministry of Mines and Energy to conduct exploration on its Deer Horn property.*

*The Issuer holds a 49% equity interest in Cheona Metals Inc., with its First Nations partner, who holds a 51% equity interest, with a mission of restoring placer mines in north western Canada in an environmentally sustainable manner.*

*The Issuer also holds a 49% equity interest in Cheona Health Inc., with its First Nations partner, who holds a 51% equity interest, formed to help Canada and Indigenous communities achieve better health and well-being.*

2. Provide a general overview and discussion of the activities of management.

*Refer to Item 1 above*

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

*In its August 16, 2023 news release (refer to the news release in its entirety, a copy of which is filed under the Issuer's profile on SEDAR+), the Issuer announced:*

- *"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 [...]. 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 [...]. 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.”*

*In its August 31, 2023 news release (refer to the news release in its entirety, a copy of which is filed under the Issuer’s profile on SEDAR+), the Issuer announced details relating to its proposed September work program:*

- *“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.”*
- *“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.”*

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned. N/A

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.  
  
N/A
6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced. N/A
7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship. N/A
8. Describe the acquisition of new customers or loss of customers. N/A
9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks. N/A
10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs. N/A
11. Report on any labour disputes and resolutions of those disputes if applicable.  
N/A
12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.  
N/A

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness. *N/A*

14. Provide details of any securities issued and options or warrants granted. *N/A*

<b>Security</b>	<b>Number Issued</b>	<b>Details of Issuance</b>	<b>Use of Proceeds<sup>(1)</sup></b>

*(1) State aggregate proceeds and intended allocation of proceeds.*

15. Provide details of any loans to or by Related Persons. *N/A*

16. Provide details of any changes in directors, officers or committee members. *N/A*

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

*Refer to the Issuer's July 31, 2022 audited financial statements, and corresponding MD&A, both of which are filed under its profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)).*

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated September 6, 2023.

Tyrone Docherty  
Name of Director or Senior  
Officer

"Tyrone Docherty"  
Signature

President & CEO  
Official Capacity

<b>Issuer Details</b> Name of Issuer <i>FIRST TELLURIUM CORP.</i>	For Month End <i>August 2023</i>	Date of Report YY/MM/D <i>23/09/06</i>
Issuer Address <i>381 – 1440 Garden Place</i>		
City/Province/Postal Code <i>Delta, BC V4M 3Z2</i>	Issuer Fax No. <i>N/A</i>	Issuer Telephone No. <i>604.789.5653</i>
Contact Name <i>Tyrone Docherty</i>	Contact Position <i>CEO</i>	Contact Telephone No. <i>604.789.5653</i>
Contact Email Address <i>Tyrone.doccap@dccnet.com</i>	Web Site Address <i>www.firsttellurium.com</i>	