Assays Confirm Presence of High-Grade Mineralization at the Klondike Project in Colorado

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Vancouver, April 21, 2022 - First Tellurium Corp. (CSE: FTEL) (the "Company" or "First Tellurium"), reports that all assays have been received for seven surface samples collected and shipped recently from First Tellurium's Klondike Project in Saguache County, Colorado. All samples confirmed the presence of high-grade tellurium (> 1%, or 10,000 ppm) in two samples. Moderate to high-grade gold and silver, as well as locally strong but variable copper, lead, and zinc were also present. Table 1 below provides a summary of the assay results of the samples.

Klondike is a high-grade tellurium prospect held previously by First Solar, Inc., one of the world's largest solar panel producers. Due to the property's tellurium grades, Klondike was considered one of First Solar's top tellurium prospects worldwide.

Table 1. Assay results from surface samples at the Klondike Project, Colorado (analyses by ALS Geochemistry, Vancouver, BC). QAQC samples not shown.

"We knew from First Solar's work that Klondike was a prime tellurium property," said First Tellurium CEO Tyrone Docherty. "These results provide a solid launch point for further exploration in 2022."

The new samples were collected within the previously identified core area of historic mining and strongly mineralized surface exposures, which is roughly 130 m x 90 m in size. This area is also within a geophysical anomaly identified in a 2010 IP conductivity-resistivity survey sponsored by First Solar and performed by Zonge Geophysics. The geophysical anomaly measures at least 650 m in length, 80-150 m in width, and is situated at a depth of between 45 and over 100 m below surface. The anomaly is elongated northwest-southeast, and open to the southeast.

"This area is considered a prime target for future exploration drilling," said John Keller, First Tellurium's field project manager at Klondike. "The area of hydrothermal alteration and anomalous Te, Au, and Ag geochemistry covers a much larger expanse."

Confirming of sampling conducted previously by First Solar

The purpose of this limited sampling program was to confirm the presence of potentially high grade tellurium and other metals that were indicated by previous substantial surface sampling at the property by First Solar from 2006 to 2011. Several samples collected over that time showed tellurium levels over 1%, including two samples from the area of an old ore loadout bin which assayed over 3% tellurium. First Solar never publicly reported details of any assay results or other exploration work, since neither mineral exploration nor mining was considered part of their core business. Work was performed at that time by experienced mineral exploration geologists according to accepted industry standards, but results were not published according to N.I. 43-101 reporting requirements for mineral exploration companies on Canadian stock exchanges.

Samples were collected from historic mine dumps and one outcrop exposed in an old trench. A delay in assay results was caused by the need to run four of the seven samples using an overage method for Te, since the normal analysis technique had an upper reporting limit of 500 ppm. Samples were analyzed by ALS Geochemistry in Vancouver, BC, with sample preparation work done at the ALS facility in Tucson, Arizona.

At Klondike, strong tellurium, gold, and silver mineralization occurs in pipe-like and tabular (vein-like) masses of intensely silicified Tertiary volcanic rocks. Quartz-matrix breccia, irregular quartz veins, veinlets, and masses are present within the larger bodies of silicified rock and are the locus of deposition of sulfides, tellurides, local native tellurium, and native gold. Base metals (Cu-Pb, Zn) are present as sulfides and also as tellurides. Oxidation of sulfides and tellurides appears mainly in the top 5-15 meters. Mine dumps which access the mineralization at a deeper level appear to be almost entirely unoxidized.

Two QAQC samples were also submitted for assay: (1) a tellurium-gold certified reference material (CRM) standard and (2) a "prep blank" (not certified) of crushed alluvial gravel composed mainly of Precambrian granitic rock. The CRM assayed well within certified limits, and the "prep blank" was close to a blank for tellurium, although it showed 4 ppm Te which may be due to a miniscule amount of lab prep contamination from the extreme high-grade samples that were processed through the lab equipment before the blank was processed.

Mr. John Keller, P.Geo., a consultant to First Tellurium and a qualified person within the context of National Instrument (NI) 43-101, Standards of Disclosure for Mineral Projects, has reviewed and approved the technical data and contents of this news release.

On behalf of the board of directors of
First Tellurium Corp.

"Tyrone Docherty"
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