FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Burcon NutraScience Corporation (the "**Company**" or "**Burcon**")
490-999 West Broadway
Vancouver, BC V5Z 1K5

Item 2 Date of Material Change

February 2, 2025.

Item 3 News Release

A news release was disseminated through Newsfile on February 3, 2025 and subsequently filed under the Company's profile on SEDAR+ (the "**News Release**").

Item 4 Summary of Material Change

On February 2, 2025, the Company entered into a binding term sheet (the "**Term Sheet**") with RE ProMan, LLC ("**ProMan**"). The Term Sheet sets out the key terms of a contract manufacturing arrangement between the Company and ProMan with respect to the manufacture of the Company's protein products and the subsequent lease of a production facility (collectively with the Term Sheet and any subsequent definitive agreement entered into in connection therewith, the "**Manufacturing Agreement**"), pursuant to which, among other things: (i) ProMan will grant the Company exclusive access to 100% of the manufacturing capacity of a protein production facility located in North America (the "**Production Facility**") for purposes of producing the Company's portfolio of plant protein products (the "**Products**"), and (ii) the Company will agree to use ProMan as its exclusive manufacturer of the Products.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

On February 2, 2025, the Company entered into the Term Sheet with ProMan. The Term Sheet sets out the key terms of the Manufacturing Agreement, pursuant to which, among other things: (i) ProMan will grant the Company exclusive access to 100% of the manufacturing capacity of the Production Facility for purposes of producing the Products, and (ii) the Company will agree to use ProMan as its exclusive manufacturer of the Products. Certain material terms of the Manufacturing Agreement are described below.

ProMan is considered an insider of the Company since a director of the Company, Mr. John Vassallo, controls ProMan.

Exclusivity and Term

Pursuant to the Manufacturing Agreement, the Products will be manufactured by ProMan at the Production Facility and purchased by the Company. The term (the "**Term**") of the Manufacturing Agreement will be seven years, after which the Company and ProMan will enter into a ten-year lease agreement, during which the Company expects to pay market lease rates for use of the Production Facility (the "**Property Lease Term**"). The Company and ProMan have mutually agreed that, subject to certain conditions, the Company will use ProMan as its exclusive manufacturer of the Products and ProMan will use the Production Facility exclusively to manufacture the Products for the Company.

Responsibilities

The Company will be responsible for all costs relating to the acquisition and delivery to ProMan of all raw materials and ingredients for the manufacture of the Products, utilities for operation of the Production Facility and for all routine maintenance costs of the equipment at the Production Facility. ProMan will be responsible for all costs related to the operation of the Production Facility, including ProMan's expenses for labour and personnel, permitting, licensing, insurance, overhead and property taxes.

In consideration for the acquisition of the Products from ProMan under the Manufacturing Agreement and for making the Production Facility available for the production of Products, the Company will pay ProMan an annual fee (the "**Annual Production Fee**") during the Term based on a formula comprised of a fixed fee and a variable amount consisting of total operating expenses, which includes the aggregate production labour, production overhead, insurance premiums and property taxes payable by ProMan in respect of the Production Facility and the production of the Products therein. During the seven-year Term of the Manufacturing Agreement, the fixed fee portion of the Annual Production Fee that the Company will pay to ProMan will be US$19.8 million in the aggregate. The variable portion of the Annual Production Fee will fluctuate depending on the operating expenses incurred at the Production Facility, which expenses will be approved by the Company. The variable portion of the Annual Production Fee only applies to revenue generated from the sale of Products produced at the Production Facility and does not apply to other revenue streams, such as contract research or licensing fees from the license of its protein technologies.

Right of First Refusal

During the Term and the Property Lease Term, ProMan has granted the Company a right of first refusal to purchase the Production Facility in the event ProMan desires to sell the Production Facility or otherwise receives a bona fide offer to buy the Production Facility from an arms-length third party.

Termination

In addition to certain other termination rights customary for a transaction of this nature, the Term Sheet and the Manufacturing Agreement may be terminated: (i) at any time by mutual written agreement of the parties, (ii) by one party if the other party is in material breach of its obligations under the Manufacturing Agreement and such breach is not remedied within 180 days, or (iii) if the other party suffers an insolvency event.

Conditionality of Manufacturing Agreement

The obligations of the parties under the Term Sheet and the Manufacturing Agreement are subject to the following conditions: (i) receipt by the Company of all required regulatory approval, including approval of the Toronto Stock Exchange and the Company's shareholders in accordance with Section 501(c) of the TSX Company Manual, (ii) ProMan completing the acquisition of the Production Facility on or before April 30, 2025, and (iii) the Company completing a minimum financing (including through the rights offering announced on November 20, 2024) of at least C$7 million.

Related Party Transaction – MI 61-101

Mr. John Vassallo is a related party of the Company for purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") as he is a director of the Company. As a result, the transaction contemplated by the Manufacturing Agreement (the "**Transaction**") between the Company and ProMan constitutes a "related party transaction" as defined under MI 61-101. Accordingly, this Material Change Report addresses the disclosure required by Section 5.2(1) of MI 61-101.

(a) A description of the Transaction and its material terms.

The Transaction and its material terms are described above.

(b) The purpose and business reasons for the Transaction.

The purpose and business reason for the Transaction is to enable the Company to establish a direct route to market for its Products, by providing a means for the Company to purchase Products for inventory and thereafter to lease the Production Facility from ProMan on commercially reasonable terms.

(c) The anticipated effect of the Transaction on the Company's business and affairs.

The Transaction is expected to enhance the Company's ability to commercialize its Products by securing a source to purchase its Products. This will enable the Company to generate revenue from sales of the Products and reduce reliance on third-party manufacturers. The Transaction may also impact the Company's financial position through capital commitments associated with the Production Facility and the Manufacturing Agreement.

(d) A description of:

(i) the interest in the Transaction of every interested party and of the related parties and associated entities of the interested parties; and

ProMan is an interested party in the Transaction as it will be the exclusive manufacturer of the Products during the Term and will lease the Production Facility to the Company during the Property Lease Term. In consideration therefor, ProMan will receive an Annual Production Fee from the Company during the Term and market lease rates from the Company during the Property Lease Term.

ProMan is controlled by Mr. John Vassallo, a director of the Company. As such, Mr. John Vassallo has an indirect interest in the Transaction through his control of ProMan.

No other related parties or associated entities of ProMan or Mr. John Vassallo have been identified as having an interest in the Transaction.

(ii) the anticipated effect of the Transaction on the percentage of securities of the Company, or of an affiliated entity of the Company, beneficially owned or controlled by each person referred to in subparagraph (i) for which there would be a material change in that percentage.

The Transaction is not expected to result in a material change in the percentage of securities of the Company, or of an affiliated entity of the Company, beneficially owned or controlled by ProMan or Mr. John Vassallo, together with their respective related parties and associated entities, as there are no securities of the Company issuable to ProMan or Mr. John Vassallo, together with their respective related parties and associated entities, under the Transaction.

(e) A discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the Company for the Transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee.

As part of the negotiation and review of the terms of the Transaction, the board of directors of the Company (the "**Board**") formed a special committee of the Board comprised of directors independent of the Transaction to review the Transaction. The special committee consulted with management as well as with its legal and financial advisors and considered and reviewed a variety of matters, including an assessment of the Company's: (i) available options to commercialize the Products, (ii) potential alternative third-party manufacturing partners, (iii) liquidity position, (iv) due diligence investigation in respect of the Production Facility, and (v) near-term financial and business outlook. The special committee recommended the Transaction to the Board for approval. Following their deliberations in respect of the Transaction, the independent members of the Board determined that the entering into of the Term Sheet was in the best interests of the Company based on, among others, the following factors: (i) the Company will not have to expend a significant amount of capital to acquire its own facility; (ii) the Annual Production Fee payable to ProMan under the Manufacturing Agreement is expected to be effectively lower than the fees paid to previous arm's-length contract manufacturers engaged by the Company; (iii) the Company will have exclusive access to the facility and will be able to oversee the production process; (iv) there were no other suitable manufacturing partners available; (v) the directors were of the view that the consideration payable to ProMan was fair and reasonable in the circumstances; and (vi) there were no other viable opportunities to bring the Products to market. As a result, the independent directors unanimously approved the Transaction, with Mr. John Vassallo abstaining from the vote.

(f) A summary in accordance with section 6.5, of the formal valuation, if any, obtained for the Transaction.

Not applicable.

(g) Disclosure of every prior valuation in respect of the Company that relates to the subject matter of or is otherwise relevant to the Transaction:

(i) that has been made in the 24 months before the date of the material change report, and

Not applicable.

(ii) the existence of which is known, after reasonable inquiry, to the Company or to any director or senior officer of the Company.

Not applicable.

(h) The general nature and material terms of any agreement entered into by the Company, or a related party of the Company, with an interested party or a joint actor with an interested party, in connection with the Transaction, and

Other than the Term Sheet with ProMan, the general nature and material terms of which are described above and in the News Release, the Company has not, nor has any of its related parties, entered into any agreement with an interested party or a joint actor with an interested party in connection with the Transaction.

(i) Disclosure of the formal valuation and minority approval exemptions, if any, on which the Company is relying under sections 5.5 and 5.7, respectively, and the facts supporting reliance on the exemptions.

The Company is relying on the exemptions contained in Section 5.5(d) and Section 5.7(1)(c) of MI 61-101 from the formal valuation and minority approval requirements of MI 61-101, as (i) during the Term, the Transaction constitutes a purchase, in the ordinary course of business of the Company, of inventory under an agreement that has been approved by the board of directors of the Company and the existence of which has been generally disclosed, and (ii) during the Property Lease Term, the Transaction constitutes a lease of real property under an agreement on reasonable commercial terms that, considered as a whole, are not less advantageous to the Company than if the lease was with a person dealing at arm's length with the Company and the existence of which has been generally disclosed.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Dorothy Law, SVP Legal and Corporate Secretary
Telephone: (604) 733-0896
Email: dlaw@burcon.ca

Item 9 Date of Report

February 12, 2025.