

BRAILLE ENERGY SYSTEMS INC.

945 Princess Street
Kingston, Ontario
K7L 0E9

MATERIAL CHANGE REPORT

Item 1. **Name and Address of Company**

The name of the reporting issuer is Braille Energy Systems Inc. (the “**Issuer**” or “**Braille**”). Its head office is located at 945 Princess Street, Kingston, Ontario K7L 0E9.

Item 2. **Date of Material Change**

The material change occurred on November 24, 2022.

Item 3. **News Release**

The Issuer disseminated a News Release via Accesswire on November 25, 2022 and filed the News Release on SEDAR on November 25, 2022.

Item 4. **Summary of Material Changes**

The Issuer announced the adoption of a shareholder rights plan.

Item 5. **Full Description of Material Changes**

The Issuer announced the adoption of a shareholder rights plan (the “**Rights Plan**”) effective November 24, 2022.

The adoption of the Rights Plan is intended to ensure, to the extent possible, that all shareholders of the Issuer are treated fairly in connection with any take-over bid for the Issuer's shares and to protect against acquisitions of control of the Issuer through purchases of shares that are exempt from applicable Canadian take-over bid rules, also referred to as "creeping" take-over bids. The Rights Plan is substantially similar to shareholder rights plans adopted by other Canadian issuers and, it was not adopted in response to any specific proposal or intention to acquire control of the Issuer.

Subject to the terms of the Rights Plan, in the event that rights become exercisable under the Rights Plan, holders of the rights (other than the acquiring person and certain other customary parties, including parties acting jointly or in concert with the acquiring person) will be permitted to exercise their rights to purchase additional common shares of the Issuer at a 50% discount to the then prevailing market price of the common shares. Pursuant to the Rights Plan, one right attaches to each issued and outstanding common share.

The Rights Plan is effective immediately but is subject to ratification by shareholders of the Issuer at its 2023 annual meeting of shareholders expected to be held in May 2023 and to approval of the TSX Venture Exchange. If the Rights Plan is not ratified by shareholders on or prior to May 24, 2023 the Rights Plan will terminate and all rights issued thereunder will be

cancelled. A copy of the Rights Plan will be filed under the Issuer's profile on SEDAR at www.sedar.com.

Items 6 and 7. **Reliance on Subsection 7.1(2) of National Instrument 51-102 and Omitted Information**

The Issuer is not relying on sub-section 7.1(2) of National Instrument 51-102 or the equivalent provisions of the securities legislation in other jurisdictions governing the Issuer for the filing of this report nor is any information being omitted in reliance thereon.

Item 8. **Executive Officers**

For further information, please contact Judith T. Mazvihwa-MacLean, CFO, Braille Energy Systems Inc., Jmazvihwa@grafoid.com, 613-581-4040

Item 9. **Date of Report**

November 25, 2022.