FORM 51-102F3

MATERIAL CHANGE REPORT

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

NurExone Biologic Inc. (the "**Company**")
9 Mezada Street
BSR 3 Tower, 30 Fl.
Bnei-Brak, Israel
5120109

***Item 2* — Date of Material Change**

The date of the material change was October 30, 2023.

***Item 3* — News Release**

The news release disclosing the material change was issued by the Company through the services of Globe Newswire on October 30, 2023 and subsequently filed on the Company's SEDAR+ profile at www.sedarplus.com.

***Item 4* — Summary of Material Change**

The Company announced that the U.S. Food and Drug Administration (FDA) has granted orphan-drug designation for the Company's ExoPTEN therapy, recognizing the potential of this groundbreaking regenerative therapy for acute spinal cord injury, a condition where effective treatments are limited.

***Item 5* — Full Description of Material Change**

5.1 – **Full Description of Material Change**

The Company announced that the U.S. Food and Drug Administration (FDA) has granted orphan-drug designation for its ExoPTEN therapy, recognizing the potential of this groundbreaking regenerative therapy for acute spinal cord injury, a condition where effective treatments are limited.

The orphan drug designation provides significant benefits to pharmaceutical companies developing drugs for rare diseases, i.e. those impacting fewer than 200,000 people in the United States. These benefits include market exclusivity, financial incentives, regulatory assistance, and support with drug development. Overall, the designation incentivizes and supports the development of certain treatments, increasing access to therapies for patients.

Earning orphan-drug designation is a significant milestone for the Company. The designation covers the use of mesenchymal stem cell (MSC) derived small extracellular vesicles (Evs) loaded with short and modified interfering RNA (siRNA) targeting the phosphatase and tensin homolog (PTEN) protein, as implemented in the Company's ExoPTEN drug under development.

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**

Dr. Lior Shaltiel
Chief Executive Officer
+972 52-4803034

***Item 9* — Date of Report**

November 8, 2023