

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

NurExone Biologic Inc. (the “Company”)
1 Adelaide Street East, Suite 801
Toronto, Ontario M5C 2V9

Item 2: Date of Material Change

November 1, 2024.

Item 3: News Release

A news release was disseminated on November 1, 2024 via Globe Newswire and filed on the Company’s SEDAR+ profile at www.sedarplus.ca.

Item 4: Summary of Material Change

Private Placement

Effective November 1, 2024 (the “**Closing Date**”), further to the Company’s press release dated September 26, 2024, the Company closed the final tranche of its non-brokered private placement offering (the “**Offering**”) for gross proceeds of \$127,499.90 (“**Tranche 2**”). In the Offering, the Company raised aggregate gross proceeds of \$1,737,647.45 through the issuance of 3,159,359 units (each, a “**Unit**”).

All securities issued under Tranche 2 are subject to receipt of all necessary regulatory approvals, including from the TSXV, and all securities issued thereunder are subject to a statutory hold period of four months and one day from the closing of the Offering. The Company intends to use the net proceeds from the Offering for working capital and general corporate purposes.

Corporate Update

Subject to TSX Venture Exchange (the “**TSXV**”) approval, the Company has retained the services of Independent Trading Group (“**ITG**”) and Oak Hill Financial Inc. (“**Oak Hill**”) to provide market-making, business, and capital markets advisory services to the Company in accordance with TSXV policies.

Item 5.1: Full Description of Material Change

Private Placement

Pursuant to Tranche 2, the Company issued 231,818 Units at a price of \$0.55 per Unit for gross proceeds of \$127,499.90. Each Unit consisted of one common share in the capital of the Company (each, a “**Common Share**”) and one Common Share purchase warrant (each, a “**Warrant**”). Each Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.70 per Common Share for a period of 36 months, subject to acceleration. If the daily volume weighted average trading price of the Common Shares on the TSXV for any period of 10 consecutive trading days equals or exceeds \$1.05, the Company may, upon providing written notice to the holders of the Warrants (the “**Acceleration Notice**”), accelerate the expiry date of the Warrants to a date not less than 30 days following the date of the Acceleration Notice. If the Warrants are not exercised by the applicable accelerated expiry date, the Warrants will expire and be of no further force or effect.

Related Party Transaction Disclosure

James A. Richardson, a director of the Company, (the “**Participating Insider**”) participated in the Offering and acquired an aggregate of 50,000 Units. The participation of the Participating Insider in the Offering constituted a “related party transaction”, as such term is defined in Multilateral Instrument 61-101 – *Protection of Minority Shareholders in Special Transactions* (“**MI 61-101**”). In completing the Offering, the Company

relied on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101, on the basis that the fair market value of the Participating Insider's participation in the Offering did not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101.

Effect of the Offering					
Name	Insider	# of Units Acquired	Value	# of Securities Held	% of Securities Held
James A. Richardson ⁽³⁾	Director	50,000	\$27,500	269,133 Common Shares 50,000 Warrants	0.38% ⁽¹⁾ 0.81% ⁽²⁾

Notes:

1. Upon completion of the Offering on an undiluted basis.
2. Upon completion of the Offering on a partially diluted basis.
3. Prior to the completion of the Offering, Mr. Richardson held 219,133 Common Shares and 258,400 options exercisable into Common Shares. Upon completion of the Offering, James A. Richardson owns an aggregate of 269,133 Common Shares, 258,400 options exercisable into Common Shares, and 50,000 Warrants.
4. Calculated based on 70,843,598 Common Shares issued and outstanding upon completion of the Offering.

Completion of the Offering was unanimously approved at a meeting of the board of directors of the Company entitled to vote on such matters. No special committee approved or was established in connection with the Offering, and no materially contrary view or abstention was expressed or made by any director.

Aside from agreements entered into with the Company pursuant to the Offering, the Company will not be entering into any agreement with an interested party or a joint actor with an interested party in connection with the Offering. To the Company's knowledge, no related party to the Company entered into any agreement with an interested party or a joint actor with an interested party, in connection with the Offering.

The Company will send a copy of this material change report to any shareholder of the Company who requests a copy of it.

Corporate Update

ITG will trade the Company's securities on the TSXV and other trading venues with the objective of maintaining a reasonable market and improving the liquidity of the Common Shares. In consideration of the services provided by ITG, the Company will pay ITG a monthly service fee of \$5,000. The agreement is for an initial term of one month and renewable thereafter. The agreement may be terminated by either party with 30 days' notice. There are no performance factors contained in the agreement and ITG will not receive shares or options as compensation. ITG and the Company are unrelated and unaffiliated entities and at the time of the agreement, neither ITG nor its principals have an interest, directly or indirectly, in the securities of the Company.

Oak Hill, an arm's length party to the Company, will provide certain investor relations services to the Company including, without limitation, in relation to providing strategic advice with respect to the Company's stakeholder communication initiatives and to expand market awareness (the "Services"). Oak Hill will comply with all applicable securities laws and the policies of the TSXV in providing the Services. The agreement shall be for an initial one-month term, for a monthly fee of \$10,000, plus applicable taxes, which may be automatically renewed at the Company's discretion. No securities of the Company are being granted to Oak Hill under the terms of its engagement and to the knowledge of the Company, neither Oak Hill nor any of its directors, officers or employees currently owns any securities of the Company. The Company may also reimburse Oak Hill for certain expenses incurred in connection with the Services.

Item 5.2: Disclosure for Restructuring Transactions

Not applicable.

Item 6: Reliance on Subsection 7.1(2) of National Instrument 51-102 (Confidentiality)

Not applicable.

Item 7: Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8: Executive Officer

For additional information with respect to this material change, please contact:

Dr. Lior Shaltiel
Chief Executive Officer and Director
Phone: +972-52-4803034
Email: info@nurexone.com

Item 9: Date of Report

November 11, 2024.