

## Form 62-103F1

### *Required Disclosure under the Early Warning Requirements*

#### **Item 1 – Security and Reporting Issuer**

##### **1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.**

This report relates to the common shares, warrants and convertible promissory note of Burcon NutraScience Corporation (“**Burcon**” or the “**Issuer**”).

The head office of Burcon is located at:

1946 West Broadway  
Vancouver, British Columbia  
V6J 1Z2

##### **1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.**

Not applicable.

#### **Item 2 – Identity of the Acquiror**

##### **2.1 State the name and address of the acquiror.**

Mr. Chan Yiu Lun, Alan (“**Mr. Chan**”) through his wholly-owned company, Firewood Elite Limited (“**Firewood**”) a British Virgin Islands incorporated Company whose registered office is situate at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands

##### **2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.**

As of September 28, 2018, PT International Development Corporation Limited (formerly ITC Corporation Limited) (“**PT International**”), through its wholly-owned subsidiaries Large Scale Investments Limited (“**Large Scale**”) and Great Intelligence Limited (“**Great Intelligence**”), beneficially owns (i) 9,866,568 common shares (the “**Sale Shares**”) in the capital of Burcon, amongst which 7,225,510 common shares are held by Large Scale and 2,641,058 common shares are held by Great Intelligence; (ii) 253,815 warrants (the “**2016 Burcon Warrants**”) held by Large Scale to purchase 253,815 Burcon common shares at a price of \$2.54 per share (subject to adjustments) which is exercisable until November 30, 2018; and (iii) the convertible unsecured 8% promissory note in the principal amount of \$2,000,000 (the “**Note**”) held by Large Scale, which is

convertible into 507,614 Burcon common shares at a price of C\$3.94 per share (subject to adjustments) during the period commencing on or after July 1, 2016 and up to and including the maturity date, which is the earlier of (a) three years from the issue of the Note, which is May 11, 2019; and (b) the occurrence of an event of default.

On September 28, 2018, Mr. Chan, a director of Burcon, through his wholly-owned company, Firewood, entered into a private agreement for sale and purchase with PT International to acquire from PT International all the issued and outstanding shares in Large Scale and Great Intelligence, respectively, at a total consideration of HK\$34,732,000 (approximately C\$5,788,667 based on the exchange rate of C\$1 = HK\$6) (the “**Acquisition**”). Completion of the Acquisition took place immediately after signing of the agreement. Before the Acquisition, Mr. Chan does not hold any Burcon common shares but holds 210,844 options (the “**Chan Options**”) issued by Burcon, which are exercisable by Mr. Chan to purchase Burcon common shares at the various exercise prices ranging from C\$0.69 to C\$8.65 per shares.

As a result of the Acquisition, Mr. Chan was deemed to control Large Scale and Great Intelligence and to beneficially own the Sale Shares, the 2016 Burcon Warrants and the Note.

### **2.3 State the names of any joint actors.**

See item 2.2 above.

## **Item 3 – Interest in Securities of the Reporting Issuer**

### **3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror’s securityholding percentage in the class of securities.**

The designation and number or principal amount of securities acquired by Mr. Chan that triggered the requirement to file this report are set out in item 2.2 above.

As a result of the Acquisition, Mr. Chan was deemed to control Large Scale and Great Intelligence and to beneficially own the Sale Shares, 2016 Burcon Warrants and the Note. As such, after the Acquisition and assuming that all Chan’s Options, 2016 Burcon Warrants and the Note are all converted into Burcon shares but that no other convertible securities of Burcon are exercised, Mr. Chan’s shareholding in Burcon will be increased from 0.48% to 24.13%.

### **3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.**

See items 2.2 and 3.1 above.

**3.3 If the transaction involved a securities lending arrangement, state that fact.**

Not applicable.

**3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.**

See items 2.2 and 3.1 above.

**3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which**

- (a) **the acquiror, either alone or together with any joint actors, has ownership and control,**
- (b) **the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and**
- (c) **the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

The designation and number or principal amount of securities and Mr. Chan's security holding percentage in the class of securities are set out in items 2.2 and 3.1 above.

**3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.**

Not applicable.

**3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

Not applicable.

**State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.**

Not applicable.

**3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable.

#### **Item 4 – Consideration Paid**

**4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.**

As set out in item 2.2 above, the total consideration by Firewood to acquire from PT International its entire interest in Large Scale and Great Intelligence is HK\$34,732,000 (approximately C\$5,788,667 based on the exchange rate of C\$1 = HK\$6).

Large Scale and Great Intelligence together own (i) 9,866,568 Sale Shares; (ii) 2016 Burcon Warrants to purchase 253,815 Burcon common shares at a price of C\$2.54 per share (subject to adjustments) exercisable until November 30, 2018; and (iii) the Note which is convertible into 507,614 Burcon common shares at the price of C\$3.94 per share (subject to adjustments) up to the maturity date, which is the earlier of (i) three years from the issue of the Note, which is May 11, 2019; and (ii) the occurrence of an event of default.

The total consideration payable by Firewood is not differentiated or sub-divided into the price payable per Burcon security.

**4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

see items 2.2 and 4.1 above

**4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.**

Not applicable.

### **Item 5 – Purpose of the Transaction**

**State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:**

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;**
- (f) a material change in the reporting issuer's business or corporate structure;**
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;**
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;**
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;**
- (j) a solicitation of proxies from securityholders;**
- (k) an action similar to any of those enumerated above.**

It is intended that the Burcon securities to be acquired by Firewood will be held for investment purposes. Mr. Chan and Firewood may, depending on market and other conditions, increase or decrease their beneficial ownership of Burcon's securities, whether in the open market, by privately negotiated agreements or otherwise, subject to a number of factors, including general market conditions and other available investment and business opportunities.

**Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer**

**Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.**

Not applicable.

**Item 7 – Change in Material Fact**

**If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.**

Not applicable.

**Item 8 – Exemption**

**If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.**

The Acquisition will result in Mr. Chan and/or Firewood acquiring 20% or more of the shares of Burcon. The Acquisition is exempted from requirements in securities legislation applicable to formal bids pursuant to the Private Agreement Exemption under Section 4.2(1) of NI 62-104. The Acquisition was made from a single seller and the value of the consideration paid for any of the securities, including brokerage fees or commissions, is not greater than 115% of the market price of the securities at the date of the Acquisition.

**Item 9 – Certification**

The undersigned, on behalf of the acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Dated this 28th day of September, 2018

“Chan Yiu Lun, Alan”  
Per: \_\_\_\_\_  
Name: Chan Yiu Lun, Alan

Dated this 28th day of September, 2018

“Big Name Group Limited”  
Per: \_\_\_\_\_  
Name: Big Name Group Limited,  
sole director of Firewood Elite Limited