

# Burcon Charts Path to Revenue Growth in Shareholder Letter

Vancouver, British Columbia--(Newsfile Corp. - December 18, 2023) - Burcon NutraScience Corporation (TSX: BU) ("Burcon" or the "Company"), a global technology leader in the development of plant-based proteins for foods and beverages, today issued a letter to shareholders from its Chief Executive Officer, Kip Underwood.

Dear shareholders,

## Optimism and Confidence in Burcon 2.0

At my one-year mark as Burcon's CEO, I write to you more optimistic than ever about our future and excited to execute our Burcon 2.0 plan. Burcon's financing in May 2023 enabled us to launch Burcon 2.0, in which we fine-tuned our strategies and business plans. Through a strategic deep dive, we have uncovered additional value in our technologies and identified remarkable opportunities that align with our Burcon 2.0 strategy. We have repositioned the company to focus on our three strategic imperatives, which are to identify additional revenue sources, get closer to customers and gain more influence over the production of our proteins. We remain focused on creating a market-leading plant protein ingredient business, a company that we've always aspired to be.

Having lost, at least temporarily, one of our routes-to-market in Merit, we pivoted to a capital-light business model which affords us speed-to-market. Our hemp launch in July has given us a direct path to revenue. Marketing has yielded promising results, with a number of customers ready-to-purchase and others in late-stage product acceptance. With a signed production agreement with our partner manufacturer, we expect to complete the process validation trials and begin commercial production in early 2024. As Burcon expects to begin generating revenue from hemp sales, we continue to build on our business momentum with initiatives to drive growth and pave the way to profitability.

Our sunflower protein technology is promising to be a significant value driver for Burcon. In addition to sunflower's exceptional attributes and clean label health halo, we foresee very favorable long-term economics from our sunflower technology. We anticipate the launch of our unique sunflower proteins, complete with significant market development activities, in 2024. We look forward to the commercialization of our sunflower proteins.

Burcon's pea and canola proteins are commercially proven and are consistently validated by customers as "best-in-class". We have engaged with numerous former customers of Merit who have expressed support for us to bring our products back to market. We are actively exploring various routes to market to bring back these novel proteins, both capital light and the acquisition of production assets. Acquiring production assets is a Go-to-Market strategy that would have the additional benefit of providing the ability to produce our full portfolio of proprietary plant-based proteins.

## Our Cash Runway and Forward Outlook

I am pleased to share that we have executed an agreement to access the second tranche of the \$10 million loan from our largest shareholder. We are sincerely grateful to our largest shareholder for its continued belief and support in Burcon. In addition, we are finalizing an agreement to receive non-dilutive government funding to support our hemp and sunflower commercialization efforts. These sources of non-dilutive funding, taken together with projected sales revenue, are expected to extend Burcon's cash runway and allow us to execute our plan.

Burcon is at an inflection point; on the verge of becoming a revenue generating company. I am confident that we are well positioned on a path towards profitability.

## Looking Beyond 2024

The plant-based food market is ripe for diverse protein choices that are better-for-you and better-for-the-planet. Food and beverage makers continue to seek new protein ingredients to formulate innovative consumer products, ingredients that enable them to meet the challenges of taste and functionality that have, to some extent, stymied earlier efforts. Prominent brands like Pepsico's Muscle Milk and Kraft Heinz's Mac and Cheese have introduced plant-based renditions, demonstrating the demand for sustainable plant-based offerings. The future looks promising for us as we have the products they need.

Our aspirations are high as we believe Burcon's new-to-the-world hemp and sunflower proteins offer compelling value propositions and will be able to capture a substantial share of the expanding ingredients market. We are now in a stronger position than a year ago and have developed a solid execution plan that will enable us to drive growth and capitalize on opportunities in front of us. With its portfolio of game-changing technologies, Burcon has the potential to become a market-leading protein ingredients provider and a plan to get there.

I am proud of our team's resiliency, their dedication this past year and how they embraced change. Our bullish outlook for 2024 marks a significant step in our journey, charting a course towards sustainable growth and profitability for Burcon.

In closing, I want to express my gratitude for your support as we turn the page on this challenging year. The Burcon team members are committed to delivering value to Burcon and our shareholders. I truly believe our best days are in front of us and I look forward to leading us there.

Sincerely,

"Kip Underwood"

Kip Underwood

Chief Executive Officer

## About Burcon NutraScience Corporation

Burcon is a global technology leader in the development of plant-based proteins for foods and beverages. Our proteins exhibit superior functionality, taste and nutrition, making them ideal ingredients for food formulators. With over two decades of experience, Burcon has amassed an extensive patent portfolio covering its specialty plant-based proteins derived from pea, canola, soy, hemp and sunflower seeds, among other plant sources. Burcon is striving to become a vertically integrated provider of specialty plant-based protein solutions that delivers on health, nutrition and sustainability. Supporting the growing trend towards a plant-based diet, Burcon is developing premium protein ingredients that we believe are better for you and better for the planet. For more information, visit [burcon.ca](https://www.burcon.ca).

## Forward-Looking Information Cautionary Statement

The TSX has not reviewed and does not accept responsibility for the adequacy of the content of the information contained herein. This press release contains forward-looking statements or forward-looking information within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements or forward-looking information involve risks, uncertainties and other factors that could cause actual results, performances, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements or forward-looking information can be identified by words such as "anticipate," "aim", "intend," "plan," "goal," "project," "estimate," "expect," "believe," "future," "likely," "may," "should," "could," "will" and similar references to future periods. All statements included in this release, other than statements of historical fact, are forward-looking statements. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ

materially from those anticipated in such statements or information. Important factors that could cause actual results to differ materially from Burcon's plans and expectations include the implementation of our business model and growth strategies; trends and competition in our industry our future business development, financial condition and results of operations and our ability to obtain financing cost-effectively; potential changes of government regulations; and other risks and factors detailed herein and from time to time in the filings made by Burcon with securities regulators and stock exchanges, including in the section entitled "Risk Factors" in Burcon's annual information form for the year ended March 31, 2023 and its other public filings with Canadian securities regulators on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements or information. Any forward-looking statement or information speaks only as of the date on which it was made, and, except as may be required by applicable securities laws, Burcon disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise. Although Burcon believes the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance, and, accordingly, investors should not rely on such statements.

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