No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws. These securities may not be offered or sold in the United States of America or to, or for the benefit of, a U.S. person.

PROSPECTUS

Initial Public Offering by way of a Distribution as a Dividend-in-Kind **April 29, 2016**

ORTHO REGENERATIVE TECHNOLOGIES INC.

Distribution by Manitex Capital Inc. as a Dividend-in-Kind of
1,256,127 Class "A" Common Shares of Ortho Regenerative Technologies Inc.

Manitex Capital Inc. ("**Manitex**") is distributing to holders of its common shares ("**Manitex Shares**"), as a dividend-in-kind (the "**Dividend**"), Class "A" common shares ("**Shares**") of its affiliate, Ortho Regenerative Technologies Inc. ("**Ortho RTI**" or the "**Corporation**"). The Dividend will be paid on the basis of one Share for every ten Manitex Shares which are outstanding on the record date to be fixed by the board of directors of Manitex (the "**Record Date**"). The distribution of the Dividend will be completed as soon as possible but in any event, no later than 90 days from the date of this prospectus (the "**Prospectus**"). The number of Shares to be distributed to a Manitex shareholder will be rounded down to the nearest whole number of Shares. As of April 29, 2016, there are 12,561,276 Manitex Shares issued and outstanding.

Neither Manitex nor the Corporation will receive any proceeds as a result of the distribution of the Shares. This Prospectus qualifies the distribution of the Shares forming the Dividend. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities. No underwriter has been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus.

As of the date hereof, the Corporation has 13,968,000 Shares issued and outstanding of which Manitex owns 5,109,000 Shares. Manitex will cause the distribution of 1,256,127 Shares to holders of Manitex Shares pursuant to this Prospectus at a deemed value of $0.50 per Share.

As of the date of this Prospectus, the Corporation does not have any of its securities listed or quoted on a Canadian stock exchange, a U.S. marketplace, or a market place outside Canada and the United States. **There is currently no market through which these securities may be sold and shareholders may not be able to resell securities received under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. Prospective investors should carefully consider certain risk factors related to investing in these securities. See "Risk Factors".** The Company has applied to list the Shares on the Canadian Securities Exchange (the "**CSE**"). Listing will be subject to the Corporation fulfilling all of the listing requirements of the CSE including the Corporation meeting certain financial and other requirements.

Notice to Manitex Shareholders

Holders of Manitex Shares are not required to pay for the Shares to be received by them by way of the Dividend, or tender or surrender their Manitex Shares or take any other action in connection with the Dividend, other than providing a declaration of residency. All registered shareholders are urged to provide the necessary residency declaration and all shareholders who hold their shares through a brokerage or other account are urged to contact their brokers to ensure the brokers provide the necessary residency declaration, where available.

The qualification of this Prospectus with the securities regulatory authorities in each of the provinces and territories of Canada will enable the Corporation to become a reporting issuer under applicable securities legislation in those provinces and territories and enable the Shares of the Corporation held by Manitex to be distributed to the Manitex Shareholders.

The distribution of the Dividend will be conducted under the book-based system. Upon the receipt of Shares pursuant to the Dividend, the shareholder will receive only the customary confirmation from the registered dealer

from or through whom a beneficial interest in the Shares is held and who is a participant ("**CDS Participant**") in the depository service of CDS Clearing and Depository Services Inc. ("**CDS**"). CDS will record the CDS Participants who hold the Shares on behalf of shareholders who have received the Dividend in accordance with the book-based system. See "Mechanics of the Partial Spin-Off - Book-Based System".

The Shares distributed pursuant to this Prospectus will not be registered under the laws of any foreign jurisdiction, including the United States Securities Act of 1933, as amended. Consequently, no Shares will be delivered to any registered or beneficial holder of Manitex Shares who is, or who appears to the Corporation or Computershare Trust Company of Canada, as trustee (the "**Trustee**"), to be a non-resident of Canada ("**Non-Resident**") within the meaning of the Income Tax Act (Canada) (the "**Tax Act**"). Such Non-Residents will receive from the Trustee their pro rata share of the cash equivalent of the Dividend, less any commissions, expenses and applicable withholding taxes. Holders of Manitex Shares, or their brokers, will have to provide a declaration of Canadian residency to Computershare Trust Corporation of Canada, as registrar and transfer agent of the Manitex Shares (the "**Transfer Agent**") or CDS Clearing and Depository Services Inc. (the "**Depository**"). See "Notice Regarding Declaration of Residency". There may be adverse tax consequences to Manitex Shareholders who receive the Dividend and to Non-Residents. See "Certain Canadian Federal Income Tax Considerations" and "Certain United States Federal Income Tax Considerations for U.S. Holders". Non-Residents who desire certainty with respect to the value to be received from the Partial Spin-Off or who wish to avoid these tax consequences may wish to consult their advisors regarding a sale of their Manitex Shares, through the TSX Venture Exchange ("**TSX-V**") or otherwise, prior to the Record Date.

Edward Margerrison, President and Chief Executive Officer of the Corporation, resides outside of Canada. Although Mr. Margerrison has appointed Dentons Canada LLP, at its office located at 1, Place Ville-Marie, suite 3900, Montreal, Quebec, H3B 4M7, as his agent for service of process in each province and territory of Canada in which the Shares are to be distributed, it may not be possible for investors to enforce judgements obtained against Mr. Margerrison.

There are risks inherent in the Corporation's business that may adversely affect the value of the Shares. See "Risk Factors".

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INTERPRETATION

Unless the context otherwise requires, all references in this Prospectus to "we", "Ortho RTI" or the "Corporation" refer to Ortho Regenerative Technologies Inc.

TECHNICAL INFORMATION

For the meanings of certain technical terms used in this Prospectus, see "Glossary of Technical Terms".

NOTICE REGARDING DECLARATION OF RESIDENCY

The Shares issuable pursuant to this Prospectus will not be registered under the laws of any foreign jurisdiction, including the United States Securities Act of 1933, as amended. Consequently, no Shares will be delivered to any registered or beneficial holder of Manitex Shares who is, or who appears to the Corporation or the Trustee to be, a Non-Resident. Such Shares will be delivered by the Corporation to the Trustee for sale by the Trustee on behalf of all Non-Residents. Such Shares will be sold by the Trustee for sale by the Trustee through a registered securities broker or dealer (the "**Selling Agent**") retained for the purpose of effecting a sale of such Shares on behalf of Non-Residents. Such Non-Residents will receive from the Trustee their pro rata share of the cash value of the Dividend, less commissions, expenses and applicable withholding taxes. Registered holders of Manitex Shares will receive a form of declaration of residency from Computershare Trust Company of Canada, as registrar and transfer agent of the Manitex Shares (the "**Transfer Agent**"). The brokers through which beneficial holders of Manitex Shares hold such Shares will receive a form of declaration of residency from CDS Clearing and Depository Services Inc. (the "**Depository**"). The Corporation understands that such brokers should provide the necessary declaration on behalf of their clients; however, beneficial holders of Manitex Shares are urged to contact their brokers or other Depository participant through which they hold their Manitex Shares in respect of this residency declaration requirement. Unless the Corporation or Manitex has actual knowledge to the contrary, all registered holders of Manitex Shares whose address on the shareholder register on the Record Date is in Canada will be deemed not to be Non-Residents. If a broker or other Depository participant fails to provide the necessary declaration of Canadian residency on behalf of their clients whose address on the shareholder register on the Record Date is not in Canada, the applicable beneficial holders of Manitex Shares will be deemed to be Non-Residents on that date. There may be adverse tax consequences to Non-Residents from this sale process. See "Certain Canadian Federal Income Tax Considerations" and "Certain United States Federal Income Tax Considerations for U.S. Holders". Non-Residents who desire certainty with respect to the value to be received from the Partial Spin-Off or who wish to avoid these tax consequences may wish to consult their advisors regarding a sale of their Manitex Shares, through the TSX or otherwise, prior to the Record Date.

ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS

Edward Margerisson, the President and Chief Executive Officer of the Corporation, resides outside of Canada. Although Mr. Margerisson has appointed Dentons Canada LLP, at its office located at 1, Place Ville-Marie, suite 3900, Montreal, Quebec, H3B 4M7, as his agent for service of process in each province and territory of Canada in which the Shares are to be distributed, it may not be possible for investors to enforce judgments obtained in Canada against Mr. Margerisson.

CURRENCY AND EXCHANGE RATE INFORMATION

Unless otherwise indicated all references to "$" or "dollars" in this Prospectus mean Canadian dollars.

References to "US$" or "US dollars" mean United States dollars.

The Corporation's accounts are maintained in Canadian dollars.

FORWARD-LOOKING INFORMATION

This Prospectus contains “forward-looking information” within the meaning of applicable Canadian securities legislation. Wherever possible, words such as “plans”, “expects”, or “does not expect”, “budget”, “scheduled”, “estimates”, “forecasts”, “anticipate” or “does not anticipate”, “believe”, “intend” and similar expressions or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved, have been used to identify forward-looking information.

Forward-looking information in this Prospectus may include, but is not limited to,

- statements related to the completion of the Partial Spin-Off and the events related thereto and contingent thereon,
- information with respect to our future financial and operating performance,
- future development activities, and the costs and timing of those activities,
- timing and receipt of approvals, consents and permits under applicable legislation,
- adequacy of financial resources.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. We believe that the assumptions and expectations reflected in such forward-looking information are reasonable. Assumptions have been made regarding, among other things: our ability to carry on development activities, the timely receipt of required approvals and our ability to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from those expressed or implied by such forward-looking information, including risks associated with: our limited operating history, the absence of a public market for the Corporation’s securities, our reliance on third-party suppliers and manufacturers, our dependence on our affiliates, the availability of additional funding, common risks for medical devices, including product liability claims, insurance and recalls, registration risks in certain jurisdictions, our inability to implement the Corporation’s strategy to grow the business, dependence on key management personnel and executives, competition, currency fluctuations. See “Risk Factors”.

Our forward-looking statements are based on the reasonable beliefs, expectations and opinions of management on the date of this Prospectus. Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There is no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. We do not undertake to update any forward-looking information, except as, and to the extent required by, applicable securities laws.

INDUSTRY DATA

Market data and industry forecasts used in this Prospectus were obtained from various publications. Although management believes that these independent sources are generally reliable, the accuracy and completeness of such information is not guaranteed and has not been independently verified.

ELIGIBILITY FOR INVESTMENT

In the opinion of Dentons Canada LLP, counsel to the Corporation, based on the current provisions of the Income Tax Act (Canada) (the "**Tax Act**") and the regulations thereunder and the proposals to amend the Tax Act and the regulations publicly announced by the Minister of Finance (Canada) as of the date hereof, the Shares, if, as and when unconditionally listed on a "designated stock exchange" as defined in the Tax Act, will be qualified investments for a trust governed by a "registered retirement savings plan" (a "**RRSP**"), a "registered retirement income fund" (a "**RRIF**"), a "registered education savings plan", a "deferred profit sharing plan", a "registered disability savings plan" and a "tax-free savings account" (a "**TFSA**"), as those terms are defined under the Tax Act.

Notwithstanding that the Shares may be a qualified investment for a trust governed by a RRSP, RRIF or TFSA (each, a "**Registered Plan**"), the annuitant under or holder of a Registered Plan, as the case may be, will be subject to a penalty tax on the Shares held in the Registered Plan if the Shares are a "prohibited investment" for that Registered Plan for the purposes of the Tax Act. The Shares will generally be a "prohibited investment" if the annuitant under or holder of a Registered Plan, as the case may be, (i) does not deal at arm's length with the Corporation for the purposes of the Tax Act; or (ii) has a "significant interest" (within the meaning of the Tax Act) in the Corporation. Generally, a holder or annuitant will have a significant interest in the Corporation if the holder or annuitant, and/or persons or partnerships not dealing at arm's length with the holder or annuitant, own directly or indirectly 10% or more of the issued shares of any class of the capital stock of the Corporation or any corporation related to the Corporation within the meaning of the Tax Act. In addition, the Shares will generally not be a "prohibited investment" if the Shares are "excluded property" as defined in the Tax Act for a Registered Plan. Manitex shareholders considering holding the Shares through their Registered Plan are advised to consult their own tax advisors in this regard.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this Prospectus and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. Certain capitalized terms used in this summary are defined under "Definitions" or "Glossary of Technical Terms".

The Corporation

Ortho RTI, headquartered in Montreal, Quebec, Canada is a development stage biotechnology company specializing in regenerative medical devices that repair and regenerate damaged joints thereby helping to prevent or delay the onset of osteoarthritis. The technology platform consists of freeze-dried proprietary polymer formulations specially designed to solubilize when combined with autologous blood preparations enriched for cells that stimulate wound healing or to transform from a freeze dried porous solid into therapeutic microparticles when implanted to stimulate tissue repair. See "Description of the Business − Business of the Corporation".

Ortho RTI was incorporated on February 5, 2015. On June 19, 2015 (the "**Closing Date**") the Corporation entered into an Intellectual Property Assignment and Technology Transfer Agreement (the "**Technology Assignment Agreement**") with Polyvalor, Limited Partnership ("**Polyvalor**") acting through its general partner Univalor Inc. and *Polytechnique Montréal* ("***Polytechnique***") whereby Ortho RTI has acquired certain technologies related to polymer devices for orthopedic tissue repair and intra-articular injections of platelet rich plasma chitosan formulations (the "**Technologies**").

In addition, on the Closing Date, Ortho RTI issued 5,500,000 Class A shares to Manitex for consideration of $500,000 and 833,334 Class A shares to Polyvalor for consideration of $75,757. Manitex also provided Ortho RTI with a credit facility of $240,000.

Technology Assignment Agreement

Ortho RTI and Polyvalor entered into the Technology Assignment Agreement on the Closing Date.

Pursuant to the Technology Assignment Agreement, Polyvalor assigned and transferred to Ortho RTI all of its rights, title and interest in and on the current patents as well as new patents, including patent applications, technical data and "know how" relating to the Technologies.

The assignment and transfer was made in consideration of the payment of (i) a non-refundable fee of one hundred fifty thousand dollars ($150,000) on the Closing Date, as well as the payment of (ii) a non-refundable fee of thirty-five thousand dollars ($35,000) due on February 28, 2016 and (iii) a non-refundable fee of thirty-six thousand four hundred ten dollars ($36,410) due on October 31, 2016. Furthermore, Ortho RTI has paid one hundred eighteen thousand three hundred sixty seven dollars ($118,367) to *Polytechnique*, on the Closing Date, relating to a pilot meniscus repair sheep model study. Ortho RTI is required to make a further payment of one hundred thousand ($100,000) to *Polytechnique* on or before May 31, 2016. Ortho RTI was also required to issue to Polyvalor eight hundred thirty-three thousand hundred three hundred thirty-four (833,334) fully paid and non-assessable Shares on the Closing Date for a total consideration of $75,757. Ortho RTI has also granted Polyvalor a royalty on net sales equal to one and a half percent (1.5%).

The table below summarizes the payment schedule for the consideration payable by Ortho RTI under the Technology Assignment Agreement.

Payment Date	Consideration	Paid to	Description
Closing Date	$150,000	Polyvalor	Non-refundable fee
Closing Date	$118,367	Polytechnique	Non-refundable fee for pilot meniscus repair sheep model study
February 28, 2016	$ 35,000	Polyvalor	Non-refundable fee
May 31, 2016	$100,000	Polytechnique	Non-refundable fee
October 31, 2016	$36,410	Polyvalor	Non-refundable fee

Ortho RTI agreed to secure a first round of financing of seven hundred and forty thousand dollars ($740,000) on the Closing date, consisting of five hundred thousand dollars ($500,000) in equity (44% share) and a two hundred forty thousand dollars ($240,000) credit line, which can be drawn on an "as needed basis". Ortho RTI must obtain and conclude cumulative rounds of financing for a minimum of one million four hundred seventy thousand dollars ($1,470,000) no later than February 28, 2016 and a minimum of $2,600,000 (which includes the previous financing of one million four hundred seventy thousand dollars ($1,470,000), no later than May 31, 2016. Ortho RTI has completed its minimum first round financing of $1,470,000 by the due date of February 28, 2016. The amounts will be used to meet the obligations regarding the assignment and to further develop the Technologies. In the event that the financing is not obtained, Ortho RTI will have three (3) months from each date of round to find alternative financing solutions. If such approval is not obtained nor the financing secured, the Agreement can be unilaterally terminated by Polyvalor. Any and all amounts owed will become payable immediately and the assigned Intellectual Property will immediately and automatically revert back to Polyvalor for a nominal amount of $1.

On April 25, 2016, Manitex signed an Undertaking to Provide Financing pursuant to which Manitex undertakes and agrees to lend to Ortho RTI an amount of up to $1,130,000 to cover any shortfall on the minimum financing required on May 31, 2016.

The table below sets forth the amounts and related deadlines of Ortho RTI's commitments to secure financing pursuant to the Technology Assignment Agreement:

Deadline	Cumulative Amounts	Status
Closing Date	$740,000	Completed
February 28, 2016	$ 1,470,000 (including the $740,000 above)	Completed
May 31, 2016	$2,600,000 (including the $1,470,000 above)	In progress

Research and Development Contracts

As additional consideration for the Technology Assignment Agreement, Ortho RTI and *Polytechnique*, with the intervention of Polyvalor, entered into three Research Project Agreements ("**R&D Contracts**") on June 19, 2015.

Ortho-C Contract

Pursuant to the first R&D contract ("**Ortho-C Contract**"), Ortho RTI will pay to *Polytechnique* a total of six hundred thirty thousand dollars ($630,000) in equal payments over thirty-six months.

The Ortho-C contract, is under the supervision of Professor Caroline D. Hoemann and is devoted to the development of technologies relating to articular cartilage repair.

Ortho-M&V Contract

Pursuant to the second R&D contract ("**Ortho-M&V Contract**"), Ortho RTI will pay to *Polytechnique* a total of eight hundred forty thousand dollars ($840,000) in equal payments over thirty-six months.

The Ortho-M&V Contract contract, is devoted to the project entitled "Development of freeze-dried chitosan products for injectable knee treatments" and will be under the general direction of Professor Michael D. Buschmann.

Ortho-R Contract

Pursuant to the third R&D contract ("**Ortho-R Contract**"), Ortho RTI will pay to *Polytechnique* a total of six hundred thirty thousand dollars ($630,000) in equal payments over thirty-six months.

The Ortho-R Contract is devoted to the project "Development of freeze-dried chitosan products for shoulder treatments" and will be under the general direction of Professor Michael D. Buschmann.

Description of the Business

Ortho RTI is a research and development biotechnology company specializing in regenerative medical devices that repair and regenerate damaged joints thereby helping to prevent or delay the onset of osteoarthritis. The technology platform consists of freeze-dried proprietary polymer formulations specially designed to solubilize when combined with autologous blood preparations enriched for cells that stimulate wound healing or to transform from a freeze dried porous solid into therapeutic microparticles when implanted to stimulate tissue repair.

Product Pipeline and Development

The Corporation possesses a large expertise as well as proprietary technology and know-how relating to the repair and regeneration of soft tissue tears in the joint. Its lead products, Ortho-M for meniscus tears and Ortho-R for rotator cuff tears, are based on the same technology. The Corporation has identified a natural biopolymer that it has tailored to ensure optimal properties to stimulate joint tissue repair when combined with autologous blood preparations. The product comes as a sterile powder in a vial which is then combined with autologous platelet rich plasma (PRP) taken from the joint repair candidate. In a surgical suit, generally using arthroscopy, the biopolymer PRP mixture is delivered to the tear or injury where the repair is desired. A pilot study on large animals has recently been completed using Ortho-M which gave encouraging results.

Product Portfolio

Product	Indication	Stage
Ortho-R	Treat small and large rotator cuff tears	Large animal studies
Ortho-M	Treat complex meniscal tears and prevent osteoarthritis	Large animal studies
Ortho-V	Viscosupplementation to treat knee joint pain and prevent osteoarthritis	Feasibility
Ortho-C	Articular cartilage repair	Discovery

Management Team

Our management team includes individuals with extensive experience in the bio-medical research industry or the pharmaceutical industry. See “Directors and Executive Officers”.

No Financing

No financing will be realized concurrently with the filing of this Prospectus. See “Use of Proceeds”.

Funds Available

As at April 29, 2016, the Corporation has a negative working capital balance of approximately $510,350. The Corporation will not realize any proceeds from the distribution of the Dividend.

The Corporation’s use of funds over the upcoming year is of upmost concern to the Board and revised spending budgets have been prepared to postpone development activities and reduce some administrative expenses should the private financing through share purchase or debt be insufficient to cover the cash shortfall. It is important to distinguish between R&D and production/clinical development. The Corporation will continue to fund the *Polytechnique* contracts on a monthly basis, however development activities focused on manufacture of material, and animal and human trials can be postponed and we do not believe that these delays would materially impact the potential for the product or the Corporation. The Corporation can also delay the prosecution of its patents. In doing so the Corporation is not giving up any of its rights or protection of its intellectual property as the patent authorities have built in such delays in the patent regulations and companies are afforded the opportunity to delay the prosecution of patents for confidentiality and strategic reasons. See “Use of Proceeds”.

The Dividend, Partial Spin-Off and Qualification of the Shares

Manitex is distributing to holders of Manitex Shares, as a dividend-in-kind (the “**Dividend**”), Class A common shares (the “**Shares**”) of Ortho RTI**.** Manitex will qualify the distribution of the Shares pursuant to this Prospectus**.**

The Dividend will be paid on the basis of one Share for every ten (10) Manitex Shares which are outstanding on the record date (the “**Record Date**”) to be fixed by the Board of Directors of Manitex. The distribution of the Dividend will be completed as soon as possible but in any event, no later than 90 days from the date of this Prospectus The number of Shares to be distributed to a Manitex shareholder will be rounded down to the nearest whole number of Shares. As of April 29, 2016, there are 12,561,276 common shares of Manitex issued and outstanding. See “The Partial Spin Off”.

Neither Manitex nor the Corporation will receive any proceeds as a result of the distribution of the Shares.

On June 19, 2015 Manitex, subscribed to 5,500,000 Shares at a price of $0.0909 per Share. Manitex then sold 591,000 Shares to members of the Corporation's management, consultants and close business associates. In January 2016, Manitex subscribed to 200,000 additional Shares in a private placement.

Certain Canadian Federal Income Tax Considerations

Holders of Manitex Shares resident in Canada who acquire Shares pursuant to the Partial Spin-Off will be considered to have received a taxable dividend for Canadian federal income tax purposes equal to the fair market value of the Shares so received, and holders of Manitex Shares not resident in Canada will be subject to Canadian federal withholding tax at the rate of 25% on the amount of the Dividend, subject to reduction under the terms of an applicable income tax treaty or convention. See "Certain Canadian Federal Income Tax Considerations" for a more detailed discussion of this withholding tax.

Certain United State Federal Income Tax Considerations

The Partial Spin-Off will be effected under applicable provisions of Canadian corporate law, which are technically different from analogous provisions of U.S. corporate law. Therefore, the U.S. federal income tax consequences of certain aspects of the Partial Spin-Off are not certain. Manitex anticipates that the Shares received by the Trustee for the benefit of U.S. holders (as defined below) pursuant to the Partial Spin-Off will constitute a taxable distribution. In accordance with this treatment, as described below in "Certain United States Federal Income Tax Considerations for U.S. Holders," each U.S. holder generally will recognize income or gain for U.S. federal income tax purposes with respect to the receipt of cash in the Partial Spin-Off.

The discussion in this summary is qualified in its entirety by the more detailed discussion of the U.S. federal income tax consequences of the Partial Spin-Off in this Prospectus. See "Certain United States Federal Income Tax Considerations for U.S. Holders".

Risk Factors

An investment in the Shares is subject to certain risks, including:

- We have a short operating history developing clinical-stage regenerative medicine products and there is a limited amount of information about us upon which you can evaluate our product candidates and business prospects, making an investment in our common stock unsuitable for many investors.

- We have incurred significant losses since our inception and anticipate that we will continue to incur substantial losses for the next several years.

- We have negative cash flow from operating activities. We anticipate that we will continue to have negative cash flow until such time that commercial production is achieved with a product candidate. To the extent that the Corporation has negative operating cash flows in future periods in excess of the amounts disclosed above in the use of proceeds, it may need to deploy a portion of its existing working capital to fund such negative cash flow.

- We will require substantial additional funding, which may not be available to us on acceptable terms, or at all, and, if not available, may require us to delay, reduce or cease our product development activities and operations.

- Development of regenerative medicine products is inherently expensive and risky and may not be understood by or accepted in the marketplace, which could adversely affect our future value.

- The results of preclinical studies and early clinical trials are not always predictive of future results. Any product candidate we or any of our future development partners advance into clinical trials may not have favorable results in later clinical trials, if any, or receive regulatory approval.

- We may face product liability claims and, if successful claims are brought against us, we may incur substantial liability and costs. If the use of our product candidates harms patients, or is perceived to harm patients even when such harm is unrelated to our product candidates, our regulatory approvals could be revoked or otherwise negatively impacted and we could be subject to costly and damaging product liability claims.

- Our success is dependent on certain key management personnel, primarily its executives, which is key to the existence and continuity of the Corporation.

- The medical device and biotechnology industries are highly competitive.

- Our success depends on our ability to protect our intellectual property and our proprietary technologies. We may not be able to protect our intellectual property rights throughout the world which could materially, negatively affect our business.

- Regenerative medicine products are subject to a number of laws, governmental regulations, administrative determinations, court decisions and similar constraints.

- Requirements associated with being a public reporting company will increase our costs significantly, as well as divert significant company resources and management attention.

- Raising additional funds by issuing securities or through licensing or lending arrangements may cause dilution to our existing stockholders, restrict our operations or require us to relinquish proprietary rights.

- We have never paid and do not intend to pay cash dividends and, consequently, your ability to achieve a return on your investment will depend on appreciation in the price of our common stock.

- Our principal stockholders and management own a significant percentage of our stock and will be able to exert significant control over matters subject to stockholder approval.

- There exists the possibility for certain of our directors and officers to be in a position of conflict since many of them also work for affiliates of the Corporation.

- The Corporation is exposed to fluctuations of the Canadian dollar against certain other currencies

- There is currently no market through which the Shares may be sold and Shareholders may not be able to resell Shares received under this Prospectus.

- If the Shares are not listed on an eligible stock exchange, they may not be qualified investment under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, deferred profit sharing plans, registered disability savings plans and tax free savings accounts.

Summary of Selected Audited and Unaudited Financial Information of the Corporation

The selected financial information set out below is based on and derived from the audited financial statements of the Corporation for the period indicated and should be read in conjunction with "Management's Discussion and Analysis" and the financial statements and the accompanying notes which are included elsewhere in this Prospectus.

	As at January 31, 2016 (audited)
Total Assets	$1,786,270
Short-Term Liabilities	$1,098,139
Long-Term Liabilities	$333,334
Share Capital	$1,006,617
Warrants	$130,000
Contributed surplus	$146,060
Deficit	($927,880)

DEFINITIONS

"**Board of Directors**" means the board of directors of the Corporation.

"**Corporation**" or "**Ortho RTI**" means Ortho Regenerative Technologies Inc.

"**CSE**" means Canadian Securities Exchange.

"**Depository**" means CDS Clearing and Depository Services Inc.

"**Dividend**" means the dividend-in-kind of Ortho RTI Shares distributed by Manitex pursuant to this Prospectus.

"**Escrow Agent**" means Computershare Trust Company of Canada.

"**GMP**" is the acronym for "Good Manufacturing Practices" which are the standards established by health authorities under which drugs can be developed, manufactured, packaged, analyzed, stored and shipped.

"**Manitex**" means Manitex Capital Inc.

"**Manitex Shares**" means the voting and participating common shares of Manitex listed on TSX-V under the symbol MNX.

"**Non-Resident**" means a non-resident of Canada.

"**Participant**" means a Person who uses the services of the Depository, namely with respect to the holding of securities, in accordance with the rules of the Depository and the terms and condition of agreements relating to these services.

"**Person**" means an individual, sole proprietorship, body corporate, firm, partnership, limited partnership, unincorporated organization or association, trust, or any other legal or commercial entity.

"***Polytechnique***" means *Polytechnique Montréal*.

"**Polyvalor**" means Polyvalor, Limited Partnership.

"**R&D Contracts**" means the three Research Project Agreements entered into on June 19, 2015 between Ortho RTI and *Polytechnique*, with the intervention of Polyvalor.

"**Record Date**" means the record date set by the board of directors of Manitex to determine the Manitex shareholders entitled to receive the Dividend.

"**Regulatory Authority**", means any board, commission, association or other body, organization or agency, whether governmental, professional, self-regulatory or otherwise, having jurisdiction over the Corporation or over any part of the business carried on by it.

"**Shares**" means the class "A" common shares of Ortho RTI.

"**Tax Act**" means the *Income Tax Act* (Canada).

"**Technology Assignment Agreement**" means the Intellectual Property Assignment and Technology Transfer Agreement entered into on June 19, 2015 between Ortho RTI and Polyvalor.

"**Technologies**" means certain technologies related to polymer devices for orthopedic tissue repair and intra-articular injections of platelet rich plasma chitosan formulations.

"**Transfer Agent**" means Computershare Investor Services Inc.

"**Trustee**" means Computershare Trust Company of Canada.

"**TSX-V**" means the TSX Venture Exchange.

GLOSSARY OF TECHNICAL TERMS

"**angiogenesis**" means formation of new blood vessels.

"**arthroscopy**" means a minimally invasive knee surgery requiring small openings where instruments can be inserted.

"**arthrotomy**" means knee surgery that involve large traditional surgical incisions.

"**autologous**" means from the patient.

"**bioabsorbable**" means a matrix that is naturally degraded and eliminated after implantation in the human body.

"**biopolymer**" means a polymer made from a biological molecule (versus a man-made synthetic).

"**chitosan**" means a biopolymer of glucosamine and N-acetyl-glucosamine.

"**lyoprotectant**" means a molecule that protects from ice damage during freezing.

"**meniscus**" means the C-shaped tissues in the knee that allow the cartilage surfaces to make uniform contact.

"**osteoarthritis**" means joint degeneration that often leads to joint replacement.

"**osteoporosis**" means loss of bone mass leading to high fracture risk.

"**platelet Rich Plasma (PRP)**" means a preparation of concentrated platelets from the patient's blood.

"**platelet**" means a small blood cell with no nucleus that forms blood clots and stimulates repair of injured tissues.

"**polymer**" means a long molecule based on a repeating unit called the monomer (for example glucosamine in the case of chitosan).

"**polysaccharide**" means a polymer composed of sugar units.

"**rotator**" means cuff a group of muscles and tendons that surround the shoulder joint.

"**trephination**" means channels small holes created by a needle-like surgical device.

"**viscosupplementation**" means the procedure of injecting a viscous solution into the knee to alleviate joint pain.

THE CORPORATION

Name, Address and Incorporation

Ortho Regenerative Technologies Inc was incorporated on February 5, 2015 pursuant to the *Canada Business Corporations Act*. On September 16, 2015, pursuant to a Certificate of Amendment, the Corporation changed its share capital by amending the rights, privileges, restrictions and conditions attached to class "B" shares and by the cancellation of the class "C", "D","E","F","G","H","I","J","K","L","M","N","O" and "P" shares. On April 26, 2016, pursuant to a Certificate of Amendment, the Corporation (i) removed the restrictions on the transfer of its common shares, (ii) added a legal French version of its name being Technologies Ortho Régénératives inc. and (iii) added a provision to have the ability to appoint one or more additional directors between shareholders meetings.

The registered office and principal place of business of the Corporation are located at 16667, Hymus Boulevard, Kirkland, Québec, Canada, H9H 4R9. See "Description of the Business – Facilities".

Technology Assignment Agreement

Ortho RTI and Polyvalor entered into the Technology Assignment Agreement on the Closing Date.

Pursuant to the Technology Assignment Agreement, Polyvalor assigned and transferred to Ortho RTI all of its rights, title and interest in and on the current patents as well as new patents, including patent applications, technical data and "know how" relating to the Technologies.

The assignment and transfer was made in consideration of the payment of (i) a non-refundable fee of one hundred fifty thousand dollars ($150,000) on the Closing Date, as well as the payment of (ii) a non-refundable fee of thirty-five thousand dollars ($35,000) due on February 28, 2016 and (iii) a non-refundable fee of thirty-six thousand four hundred ten dollars ($36,410) due on October 31, 2016. Furthermore, Ortho RTI has paid one hundred eighteen thousand three hundred sixty seven dollars ($118,367) to *Polytechnique*, on the Closing Date, relating to a pilot meniscus repair sheep model study. Ortho RTI is required to make a further payment of one hundred thousand ($100,000) to *Polytechnique* on or before May 31, 2016. Ortho RTI was also required to issue to Polyvalor eight hundred thirty-three thousand hundred three hundred thirty-four (833,334) fully paid and non-assessable Shares on the Closing Date for a total consideration of $75,757. Ortho RTI has also granted Polyvalor a royalty on net sales equal to one and a half percent (1.5%).

The table below summarizes the payment schedule for the consideration payable by Ortho RTI under the Technology Assignment Agreement.

Payment Date	Consideration	Paid to	Description
Closing Date	$150,000	Polyvalor	Non-refundable fee
Closing Date	$118,367	Polytechnique	Non-refundable fee for pilot meniscus repair sheep model study
February 28, 2016	$ 35,000	Polyvalor	Non-refundable fee
May 31, 2016	$100,000	Polytechnique	Non-refundable fee
October 31, 2016	$36,410	Polyvalor	Non-refundable fee

Ortho RTI agreed to secure a first round of financing of seven hundred and forty thousand dollars ($740,000) on the Closing date, consisting of five hundred thousand dollars ($500,000) in equity (44% share) and a two hundred forty thousand dollars ($240,000) credit line, which can be drawn on an "as needed basis". Ortho RTI must obtain and conclude cumulative rounds of financing for a minimum of one million four hundred seventy thousand dollars ($1,470,000) no later than February 28, 2016 and a minimum of $2,600,000 (which includes the previous financing of one million four hundred seventy thousand dollars ($1,470,000), no later than May 31, 2016. Ortho RTI has completed its minimum first round financing of $1,470,000 by the due date of February 28, 2016. The amounts will be used to meet the obligations regarding the assignment and to further develop the Technologies. In the event that the financing is not obtained, Ortho RTI will have three (3) months from each date of round to find alternative financing solutions. If such approval is not obtained nor the financing secured, the Agreement can be unilaterally terminated by Polyvalor. Any and all amounts owed will become payable immediately and the assigned Intellectual Property will immediately and automatically revert back to Polyvalor for a nominal amount of $1.

On April 25, 2016, Manitex signed an Undertaking to Provide Financing pursuant to which Manitex undertakes and agrees to lend to Ortho RTI an amount of up to $1,130,000 to cover any shortfall on the minimum financing required on May 31, 2016.

The table below sets forth the amounts and related deadlines of Ortho RTI's commitments to secure financing pursuant to the Technology Assignment Agreement:

Deadline	Cumulative Amounts	Status
Closing Date	$740,000	Completed
February 28, 2016	$ 1,470,000 (including the $740,000 above)	Completed
May 31, 2016	$2,600,000 (including the $1,470,000 above)	In progress

Research and Development Contracts

As additional consideration for the Technology Assignment Agreement, Ortho RTI and *Polytechnique*, with the intervention of Polyvalor, entered into three Research Project Agreements ("**R&D Contracts**") on June 19, 2015.

Ortho-C Contract

Pursuant to the first R&D contract ("**Ortho-C Contract**"), Ortho RTI will pay to *Polytechnique* a total of six hundred thirty thousand dollars ($630,000) in equal payments over thirty-six months.

The Ortho-C contract, is under the supervision of Professor Caroline D. Hoemann and is devoted to the development of technologies relating to articular cartilage repair.

Ortho-M&V Contract

Pursuant to the second R&D contract ("**Ortho-M&V Contract**"), Ortho RTI will pay to *Polytechnique* a total of eight hundred forty thousand dollars ($840,000) in equal payments over thirty-six months.

The Ortho-M&V Contract contract, is devoted to the project entitled "Development of freeze-dried chitosan products for injectable knee treatments" and will be under the general direction of Professor Michael D. Buschmann.

Ortho-R Contract

Pursuant to the third R&D contract ("**Ortho-R Contract**"), Ortho RTI will pay to *Polytechnique* a total of six hundred thirty thousand dollars ($630,000) in equal payments over thirty-six months.

The Ortho-R Contract, is devoted to the project "Development of freeze-dried chitosan products for shoulder treatments" and will be under the general direction of Professor Michael D. Buschmann.

DESCRIPTION OF THE BUSINESS

Overview of the Industry

The global orthopaedic device market was valued at $35.5 billion in 2014 and is expected to reach $38.0 billion in 2015, at a compound annual growth rate of 3.5 percent over the next five years ("Orthopedic Industry Overview", Harris, Williams & Co, May 2014). The dollar growth rate experienced by the industry in the preceding years was significantly higher than current figures at approximately 4.5% due to increasing price pressure on all device manufacturers.

The industry is dominated by total joint replacements (particularly hip and knee), as well as spine and orthopaedic trauma procedures; together these procedures account for two thirds of all orthopaedic surgeries conducted worldwide (Harris, Williams & Co, May 2014).

The global reconstructive implant market is one of the most established orthopaedic markets and includes large-joint replacement implants for the hip and knee, along with upper and lower extremity implants for the shoulder, digit, elbow, ankle, and wrist. Though joint replacement procedures are typically performed in members of the elderly population or in those suffering from degenerative joint diseases such as osteoarthritis ("OA"), innovations catering to younger more active patients are contributing to the expansion of overall procedure volumes.

An increasingly important segment of the market is now represented by Sports Medicine procedures, which repair and treat injuries (often to soft tissues), associated with exercise and sports. Examples include repair of ligaments and cartilage tissues. This segment of the market alone has been predicted to rise to $8.3 billion by 2020 (Sports Medicine Market by Product Type (Implants, Arthroscopy, Prosthetics, Orthobiologics, Braces, Topical Pain Relief, Thermal Therapy, Compression Clothing, Bandages & Tapes), by Application (Knee, Shoulder) - Analysis & Global Forecast to 2020, Markets and Markets, 2014). Currently, the global market for sports medicine has been estimated at $5.6 billion, and the rise to $8.3 billion represents a cumulative average growth rate of 8.0%.

North America has dominated the global orthopaedic device market in terms of revenue generation in the past and is expected to maintain this position over the next five years. Factors such as the growing elderly population are continuing to drive the increase in both procedure numbers and dollar value of the broad orthopaedic surgery segment: the US population over 65 years of age has increased by 8 million in the preceding 5 years alone, and is projected to reach over 65 million individuals by 2025, representing approximately 20% of the total population (Global Healthcare Outlook, Deloitte, 2015). Deloitte also project that healthcare spending will continue to grow at an average of 4.4 percent, driven in part by the health insurance exchanges, and that healthcare reform will likely create more consolidation and pressure to control costs.

There has been significant consolidation in the major players in the global hip and knee orthopedic devices market in the last 5-10 years, and the vast majority of the market is served by a small number of companies namely Zimmer Biomet Inc. (US), DePuy Synthes/ J&J (US), Stryker Corporation (US) and Smith & Nephew (UK). The specific market share that each company owns is extremely difficult to estimate given that each has distinct business operations in other healthcare categories. Other significant companies in the category include Medtronic (US) specializing in spine products (as well as many other healthcare related categories), Arthrex specializing predominantly in Sports Medicine products and Tornier/ Wright Medical

(US) who is a leader in the extremities field. The majority of these multinational corporations are US based, but there are a large number of small regionally based companies, many of which are specific to individual countries; a typical example is China Kanghui based in Jiangsu, China, that was bought by Medtronic in a deal worth $816 million in 2012.

The largest of the companies are dominant for a number of reasons, some of which are peculiar to the orthopaedic industry. As with any business segment, it is vital for any corporation to provide suitable products at a suitable price. Other critical success factors for the orthopaedics industry include:

a) There is often a clear distinction between the decision maker (eg. surgeon) and the payer (eg. surgical center/ insurance company)

b) Access to the operating room is essential: most orthopaedic surgical procedures are attended by the company sales representative of the product(s) being implanted. This is frequently the only access point for the customer (surgeon) and clearly is a highly restricted area.

c) Full range of products: many hospitals and surgery centers are limiting their number of suppliers and as such, many stand-alone products do not get used in the majority of accounts.

It is therefore clear that company size is extremely important and is the single largest reason that consolidation in the industry continues.

Strategy of the Corporation

Osteoarthritis is a devastating type of joint disease that results from breakdown of joint cartilage and underlying bone. Among those over 60 years old about 10% of males and 18% of females are affected. The Corporation is developing three distinct medical device products designed to repair or prevent various types of joint damage. The medical devices are based on a natural bio polymer that has shown an ability to aid in the repair of joint damage thereby helping to prevent or delay the development of osteoarthritis. The Corporation has selected its lead product and will complete preclinical development in animal studies before initiating human clinical trials with the goal of creating enough data to support multiple international regulatory filings for marketing approval, specifically for the US, Europe, and other regulated markets. The other device products, for the repair of articular cartilage and for viscosupplementation, are at earlier stages of development.

BUSINESS OF THE CORPORATION

Overview

Ortho RTI is a research and development biotechnology company specializing in regenerative medical devices that repair and regenerate damaged joints thereby helping to prevent or delay the onset of Osteoarthritis. The technology platform consists of freeze-dried proprietary polymer formulations specially designed to solubilize when combined with autologous blood preparations enriched for cells that stimulate wound healing or to transform from a freeze dried porous solid into therapeutic microparticles when implanted to stimulate tissue repair.

Product Pipeline and Development

The Corporation possesses a large expertise as well as proprietary technology and know-how relating to the repair and regeneration of soft tissue tears in the joint. Its lead products, Ortho-R for rotator cuff tears and Ortho-M for meniscus tears, are based on the same technology. The Corporation has identified a natural biopolymer that it has tailored to ensure optimal properties to stimulate joint tissue repair when combined with autologous blood preparations. The product comes as a sterile powder in a vial, which is then combined with autologous Platelet Rich Plasma (PRP) taken from the joint repair candidate. In a surgical suit, generally using arthroscopy, the biopolymer PRP mixture is delivered to the tear or injury where the repair is desired. A pilot study on large animals has recently been completed using Ortho-M which gave encouraging results.

Product Portfolio

Product	Indication	Stage	Technology Assignment Agreement costs to January 2016	Costs remaining under the Technology Assignment Agreement and the R&D Contracts
Ortho-R	Treat small and large rotator cuff tears	Large animal studies	$140,000	$490,000
Ortho-M	Treat complex meniscal tears and prevent osteoarthritis	Large animal studies	$186,664	$653,336
Ortho-V	Viscosupplementation to treat knee joint pain and prevent osteoarthritis	Feasibility		
Ortho-C	Articular cartilage repair	Discovery	$140,000	$490,000

Scientific Background

Tears of the rotator cuff tendons are among the most common injuries occurring in the shoulder. Current surgical treatments utilize sutures or anchors to reattach the tendons to the shoulder, but failure rates range between 20 and 95%. Untreated meniscal damage leads to radiographic signs of

Osteoarthritis. Orthopaedic surgeons currently use sutures and darts to mechanically stabilize meniscal tears, but failure rates remain high. In addition, only a small portion of all meniscal tears are considered repairable so that surgeons often remove parts of torn menisci, which increases the risk for developing Osteoarthritis. Articular cartilage has poor intrinsic repair potential. One approach that is currently used to treat cartilage defects is to create access channels to the underlying bone with microfracture or microdrilling, in order to draw bone-derived cells in the defect and stimulate repair. Microfracture has had a certain measure of success, but only in young patients and results are not long-lasting. Tissue engineering strategies involving scaffolds and cells have been tested in pre-clinical models for all of the above mentioned conditions, but none have gained widespread clinical acceptance so far. Injections of autologous platelet-rich plasma ("PRP") are currently being used to augment soft tissue repair in sports and orthopaedic medicine, but results have been inconsistent and remain unproven, in part due to poor residence and stability of PRP in the body. Chitosan is a family of linear polysaccharides composed of glucosamine and N-acetyl glucosamine units that has been used for several biomedical and pharmaceutical applications. The number of glucosamine vs N-acetyl glucosamine units, as well as the ratio of each type of units in the chain, controls the properties of chitosan. We have identified specific formulations of chitosan that can be freeze-dried and either solubilized in PRP prior to injection or implanted directly.

Ortho-R and Ortho-M are freeze-dried formulations that contain a chitosan, a lyoprotectant and a clot activator. These freeze-dried formulations can be solubilized in PRP to form injectable implants that coagulate after implantation. Extensive in vitro testing has allowed us to identify specific formulations that meet the following criteria: 1) Rapid and complete solubilization in PRP, 2) Chitosan-PRP mixtures have paste-like handling properties upon solubilization that are desired by surgeons, 3) Chitosan-PRP mixtures coagulate rapidly to form solid chitosan-PRP hybrid implants, 4) Chitosan-PRP implants are mechanically stable and resist platelet-mediated clot retraction and 5) Dispersion of chitosan in chitosan-PRP implants is homogenous for optimal biodegradability. Chitosan-PRP implants have been tested in vivo using a subcutaneous injection model in rabbits. Chitosan-PRP implants were resident for several weeks while PRP-only controls were degraded in one day. Chitosan-PRP implants induced cell recruitment and angiogenesis, both of which were not seen with PRP-only controls. Chitosan-PRP implants were biodegradable as the chitosan was internalized and degraded by host cells. Chitosan-PRP implants were also biocompatible as they did not induce any deleterious effects in this model. Ortho-M was tested in a bilateral meniscus repair model in the sheep. Longitudinal tears of the medial meniscus were treated with suturing as per clinical practice and Ortho-M implants were injected into the tears via trephination channels. Ortho-M was found to be partly resident in the tears and in the trephination channels at 1 day, where they induced cell recruitment from the outer vascular portion of the meniscus. At 3 weeks and at 3 months, a highly cellular and integrated repair tissue was observed in some Ortho-M treated tears, while there was no evidence of tissue repair in any of the PRP-only controls. This bilateral model was challenging since it did not permit the animals to protect their knees from weight-bearing post-operatively and could contain only a limited amount of Ortho-M. Even with these limitations, Ortho-M showed significant biological activity and potential to improve meniscus repair while PRP-only controls did not. We are currently working to improve the model and implant residency in order to yet improve the healing response. In the next study, Ortho-M performance will be assessed in a unilateral complex tear model in the sheep, and combined with a meniscus wrapping technique to improve implant residency. Ortho-R for rotator cuff repair is also solubilized in PRP prior to injection and will be tested in a small rabbit model first and then in a larger sheep model. The surgical approach that will be used for the first study has been identified using rabbit shoulder joints ex vivo. The supraspinatus tendon will be sectioned close to its insertion site and then sutured to the greater tuberosity through a bony trough. Ortho-R will be injected in the bony trough and in the tendon proper. Ortho-R is expected to improve repair of the tendon and also its integration to the greater tuberosity. In parallel to these efficacy studies, safety of Ortho-M and Ortho-R will be assessed following ISO10993 guidelines.

Ortho-C is a freeze-dried matrix with ultra-high porosity designed to augment bone marrow stimulation procedures for articular cartilage repair including microfracture and drilling. At the point-of-care surgical intervention, the surgeon currently has control over the pattern of bone plate channels created but methods are lacking to control the activity of the blood clot that forms in the subchondral bone. Ortho-C is

specifically designed for delivery to bleeding subchondral blood channels, where it interfaces with blood to create bioactive particles that actively promote a more rapid hemostasis and subsequently guide revascularization of the bone marrow channel, subchondral bone plate remodeling, and articular cartilage regeneration. The scaffold contains a biodegradable naturally-derived polymer, chitosan, with a high safety profile. After packaging, sterility testing and quality assurance, the surgeon will have the option of shaping the scaffold and inserting into the bone marrow channels by open arthrotomy for maximal control, or of using a specific delivery device to insert the scaffold under a drained arthroscopy field. Compared to other augmentation devices, Ortho-C treatment has the advantage of adding only minutes to the marrow stimulation procedure.

Ortho-V is a freeze-dried chitosan formulation tailored for intra-articular injections and viscosupplementation applications. Most viscosupplementation products use hyaluronic acid, but orthopaedic surgeons are also injecting PRP intra-articularly. Ortho-V consists of freeze-dried chitosan that will be solubilized in PRP for intra-articular injections. Chitosan is expected to cross-link endogenous hyaluronic acid present in the joint and provide viscosupplementation while PRP will provide platelet-derived growth factors and biological activity. A rabbit model of chemically-induced joint degeneration will be used to test intra-articular injections of Ortho-V.

Strategy

Damage to the soft tissues of a joint (such as the ligaments, tendons and cartilage structures) are debilitating for patients, involving significant pain and reduction in joint function. Such damage is generally caused in one of two ways: either a traumatic event leads to an immediate injury, or damage results over a period of time due to degeneration of the tissue of a joint. The two mechanisms are, however, closely related in that traumatic injury to a joint will lead to a disruption in function of that joint, and the onset of degenerative changes leading to chronic conditions such as osteoarthritis. Osteoarthritis is a devastating type of joint disease that results from breakdown of joint cartilage and underlying bone. Among those over 60 years old about 10% of males and 18% of females are affected.

The Corporation is developing three distinct medical device products designed to repair or prevent various types of joint damage, specifically damage to the rotator cuff in the shoulder, tears to the meniscus in the knee and damage to the articulating surfaces of the knee joint. The medical devices are based on a natural biopolymer that has shown an ability to aid in the repair of joint damage thereby helping to prevent or delay the development of osteoarthritis. The corporation has selected its lead product and will complete preclinical development in animal studies before initiating human clinical trials with the goal of creating enough data to support multiple international regulatory filings for marketing approval, specifically for the US, Canada, Europe, and other regulated markets.

A fourth device, based on the same chitosan platform technology is entering a feasibility stage for the relief of symptomatic pain in osteoarthritic joints.

The Corporation is prioritizing early commercialization in US market, and the clinical research program described below is being planned to specifically address the US FDA, while ensuring that data generated will be applicable to support regulatory filings in Canada, EU and other jurisdictions.

Development Activities

In addition to the clinical program and manufacturing scale up and validation activities described below, it will be necessary for the Corporation to complete safety and toxicology program according to ISO 10993 prior to commercialization of the product(s).

Given the history of use of chitosan-based materials in medical devices and other products, the Corporation is confident that the lead formulation will pass all required safety and toxicology testing. The Corporation's strategy in this area is to use historic and literature based information on the components of our formulation wherever possible. Where specific safety tests need to be undertaken, a suitable GLP certified contract organization will be contracted to provide all testing and reporting requirements.

Clinical Programs and Market

1. **Ortho-R for Rotator Cuff**: There are over half a million surgical procedures to repair rotator cuff injuries each year in the US alone (BioMed GPS data). Typically, an initial tear is caused in one of the four ligaments that comprise the rotator cuff by repetitive strain injuries such as weight lifting. Such an injury will not spontaneously heal, and surgical intervention is indicated. Different surgical approaches and fixation methods have been attempted but there is still a high failure rate; the actual rate depends on patient age, thickness and size of the injury and a variety of other factors. Nevertheless, the predominant surgical technique involves the physical fixation of the injury, and no approaches have been successfully described to truly heal the underlying injury. As a result non-healing or re-tears are a major cause for surgical failure.

The Corporation is currently in an active development program of a product that it believes will enhance the biological repair of the injury to the rotator cuff. The intention is to combine a freeze-dried specific formulation of chitosan with an autologous (i.e. patient derived) blood component (platelet rich plasma or PRP) and to apply the resulting material to the injury at the time of surgery. As such, the product represents an adjunct to an existing procedure.

The development program is currently in the pre-clinical phase with a rabbit study in the final analysis and reporting stage. A pilot ovine study has been initiated, to be followed by a pivotal GLP compliant study at a suitable contract research organization. The study is expected to start in Q2 2016 and to be completed in Q3 2016.

The clinical development plan calls for a regulated clinical trial to study the non-healing or re-tear rate of patients between the ages of 18 and 55 who have full thickness tears (of approximately 5cm) in either the supraspinatus or infraspinatus tendons in the shoulder joint. An algorithm for the prediction of re-tear rate has recently been published (Le *et al*, Am J Sports Med, Nov 2015) allowing for an initial calculation of the clinical trial size to be conducted: As with all clinical trials, it will be necessary to carefully define the precise patient population which will benefit most from the therapy in question, an area in which the Corporation's Clinical Advisory Board are acknowledged experts.

We currently anticipate that the clinical study will involve 200 patients to be enrolled with clinical outcomes (including, pain, function and MRI) being measured at 3, 6 and 12 months post-operatively. It is unknown at this point in time whether a pilot clinical study will be required: this question will be answered by a combination of the preclinical results and discussion with FDA..

2. **Ortho-M for Meniscus Tears**: There are 1.2 million surgical procedures for meniscal injuries each year in the US. The meniscus is comprised of 3 main regions, the red, red-white and white zones. Blood supply to the red zone is prevalent allowing for significant repair of any small injury without surgical intervention. However, moving towards the white zone (so named because there is no blood supply giving the tissue a white color) the ability of the body to heal injuries is severely compromised and further intervention is necessary. Of the 1.2 million US procedures, approximately 880,000 in 2015 (BioMed GPS data) involved a partial or complete meniscectomy whereby either a small portion (partial) or the complete meniscus is surgically removed. Other options used include the transplant of an allograft (tissue banked) meniscus, of which there are only about 15,000 per annum due to supply constraints, the remainder being treated with a variety of sutures and tacks to physically fix the tear.

These surgical procedures are reasonably effective and successful in the short and medium term. In the long term however, meniscectomy is known to lead to an early onset of osteoarthritis, probably

because of changing the load direction through the joint and causing excessive wear to the articulating surface.

The Corporation is developing a chitosan-based product, which can be applied to a tissue injury in the meniscus at the time of surgery to heal the tear and reduce the need for meniscectomy. This will be especially important for complex tears in the white zone of the meniscus, for which there is no alternative except for removal of the tissue.

The clinical development strategy for this indication is currently being assessed: It is not as yet clear what the primary outcome measures will be for this indication. It is expected that the initial trial will focus on horizontal tears in the meniscus in a population which would normally have a meniscectomy. By comparing the pain and function of these two groups of patients (meniscectomy vs treatment with Ortho-M), we intend to use MRI results to demonstrate that the healing of the meniscus has occurred. By inference, then, the long term outcomes will be improved over a patient who receives a meniscectomy.

3. **Ortho-C for Cartilage Repair:** There are approximately 600,000 surgical procedures in US each year, of which over 95% involve techniques known as debridement (removal of any loose cartilage tissue) or microfracture, which involves making small fractures in the bone tissue underlying cartilage to allow a scar tissue to form in the cartilage defect. It has long been an intention of the orthopaedic community to improve the efficacy of the microfracture technique, which is well recognize to work only on small cartilage lesions (those of around $2cm^2$) and only for a limited period of time (about 18 months to 2 years).

Ortho-C (the Corporation's approach to articular cartilage repair) stimulates bone plate remodeling and articular cartilage regeneration in challenging aged animal models and is expected to show efficacy in middle-aged patients between 40 and 60 years old. The indication for use is focal cartilage lesions with defined borders in patients from 18 to 60 years old, intact meniscus and ligaments, and varus or valgus not exceeding 5 degrees.

The project is currently in a research phase with a number of formulations showing significant early promise. Based on other clinical studies in this area, we would expect that a clinical study will require upwards of 300 patients, whose symptoms will be followed at 5 years in order to demonstrate a clinical improvement over microfracture techniques. The protocols for such studies are well known in literature and can be readily adapted to the requirements for the Ortho-C program.

4. **Ortho-V for Osteoarthritis pain:** A feasibility study will be conducted in 2016 examining the ability of chitosan to modify pain associated with osteoarthritis and other degenerative changes in the knee joint. The preclinical models for such studies are well established, and the Corporation's intention will be to undertake a preliminary feasibility study using the anterior cruciate ligament ("ACL") transection technique, in which the removal of an ACL can lead to OA like symptoms. The ability of intra-articular injections of chitosan formulations to reduce the degenerative changes on the articular surfaces can be easily assessed (eg by staining with india ink).

Success in such a feasibility model would subsequently be followed by a further series of preclinical studies, eventually moving to a clinical trial. The regulatory route for such products as Class III devices in US is well established. A typical regulated clinical study for obtaining a claim of pain relief in the knee joint will involve several hundred patients, whose OA pain would be measured and analysis for 6 months following the initial injection. It would also be necessary to undertake a further study (possibly on the same population) to ensure the safety of retreatment of such a product,

Intra-articular injections for OA pain relief are an established therapy, and the US market alone currently stands at approximately $900million. Each of these products are labeled for pain relief in OA knees: there is no product to date that is indicated for the treatment of OA: such a claim would involve a significantly more burdensome path to market, but may be considered by the company if early results are positive.

Intellectual Property

Ortho RTI is the owner of 4 patent applications filed since 2009. Improvements to the technology discovered through work funded at *Polytechnique* by Ortho RTI are also owned by Ortho RTI. The current patent portfolio includes the following:

- Patent Family No.1

  Clot-activated polymer composition for repairing tissue of subject, where the polymer composition adheres to the tissue and promotes cell proliferation, comprises platelet-rich plasma (PRP), a chitosan, a salt and a clot activator

- Patent Family No.2

  Novel formulation of physiological chitosan-inorganic salt solution/blood mixtures for tissue repair

- Patent Family No.3

  Freeze-dried polymer compositions for mixing with platelet rich plasma to form implants for tissue repair or compositions for therapeutic intra-articular injections

- Patent Family No.4

  Freeze-dried chitosan scaffolds that form a hydrated microparticle dispersion after contact with blood or blood-derived fluids and stimulate anabolic wound repair processes including angiogenesis, cell chemotaxis, tissue remodeling, and extracellular matrix deposition

The application related to Patent Family 2 has received a Notice of Allowance in the United States from the US Patent and Trademark Office.

Manufacturing

The Corporation is supported by a world class scientific team with long-established expertise in chitosan science. The manufacturing of the biopolymer and the associated final freeze-dried products has been established at the preclinical scale in a GMP amenable format. Medical grade chitosans are precisely tailored for specific products/applications though fully documented production processes that comprise extensive washing, purification and characterization procedures. The final products are sterilely manufactured by combining a dissolved medical grade chitosan with excipients followed by freeze-drying into single use vials.

Ortho RTI is currently transferring production to CMOs for commercial scales of both medical grade chitosans and final products in a cGMP compliant facility. Pilot batch production of medical grade chitosans and Ortho-M/Ortho-R products will be initiated within the next few months and it is expected that cGMP manufacturing will be established by mid-2016. Clinical trials will be initiated once cGMP manufacturing will have been established. We have chosen a manufacturer of choice for the development stage of Ortho-R and Ortho-M. Two lots of Ortho-R will be manufactured in May 2016 according to our Standard Operating Procedures (engineering runs). These batches will be used for two purposes: firstly a stability program to test the shelf life for the Ortho-R, and also biocompatibility testing according to ISO 10993 to assess the safety of the formulation. Later in 2016, there will be cGMP compliant batches of Ortho-R manufactured to be used for clinical trials early in 2017.

Facilities

Ortho RTI's administrative offices are located at 16667 Hymus Blvd., Kirkland, Quebec and are located within the premises of Valeo Pharma Inc., an affiliated company. Ortho RTI's use of these facilities is currently on a rent free basis and the Corporation expects that the current location will be sufficient for the foreseeable future.

Environment

The Corporation does not own or operate any manufacturing facilities. Further to consultations with the *Ministre de l'environnement et de la faune du Québec* and with its legal counsel, the Corporation is of the view that it does not require a certificate of authorization.

Potential Liability and Insurance

As the Corporation is currently in the development stage, product liability insurance has not been secured.

Personnel and Employees

In addition to Edward Margerrison, who is President and CEO of the Corporation on a full-time basis, Ortho RTI currently has 4 employees who work on a part time basis. Of the part time employees, one is directly involved in and leads research and development activities and three are engaged in business development, finance and administrative activities. See "Directors and Executive Officers-Management of the Corporation". The Corporation has entered into R&D Contracts with *Polytechnique*, which provide the services of a number of PhD candidates and post-doctoral scientists who are under the Corporation's supervision. The Corporation also maintains a Scientific Advisory Board which currently consists of three physicians who are specialized in orthopaedics. See "Scientific Advisory Board". To encourage a focus on achieving long term performance, employees, directors and consultants of the Corporation have the ability to acquire an ownership interest in the Corporation through the Corporation's share option plan. See "Share Options".

Scientific Advisory Board

The Corporation has established a Scientific Advisory Board comprised of medical doctors specialized in orthopaedics. They provide direction, ideas and contacts for the Corporation and collaborate with the Corporation in their respective areas of expertise. They are an important source of new product ideas and innovations. Members of the Scientific Advisory Board exercise no specific authority over any aspect of the Corporation's operations. They are compensated on a per diem basis for attendance at meetings and have been awarded stock options to purchase Shares.

The current members of the Scientific Advisory Board are:

1. Dr. Jack Farr, Indiana, USA

2. Dr. Scott Rodeo, New York, USA

3. Dr. Martyn Snow, Birmingham, UK

Competition

The commercialization of medical devices is highly competitive. Many of Ortho RTI's competitors are large well-known global medical device or pharmaceutical companies which have considerably greater financial, sales, marketing and technical resources than those of the Corporation. In addition, many of the Corporation's present and potential competitors have research and development capabilities that may

allow such competitors to develop new or improved products that may compete with the Corporation's product lines.

The medical device industry is characterized by rapid product development and technological change. The Corporation's products could be rendered obsolete or uneconomical by the development of new medical devices to treat the conditions addressed by the Corporation's products, as a result of technological advances affecting the cost of production, or as a result of marketing or pricing action by one or more of the Corporation's competitors.

The Corporation competes with various other companies inside and outside of Canada to commercialize medical devices. These companies are seeking to develop distinct specialty niches and from time to time may compete with the Corporation in negotiating products rights in the targeted markets.

USE OF PROCEEDS

No financing will be realized concurrently with the filing of this Prospectus. Neither Manitex nor the Corporation will receive any proceeds in connection with the Offering.

As at April 29, 2016, the Corporation has cash on hand of $7,350. In order to fulfill its obligations under the Technology Assignment Agreement, the R&D Contracts and to execute the Corporation's business plan for the next twelve (12) months, the Corporation intends to raise additional funds from third parties through private placements of Shares. On April 25, 2016, Manitex Capital Inc. signed an undertaking to provide $1,130,000 of additional financing to the Corporation. The exact amount of the additional financing will be equal to the difference between $2,600,000 and the total amount of financing secured by the Corporation, through cumulative rounds of financing, prior to May 31, 2016.

The principal use of available funds over the upcoming year is estimated as follows:

- $136,410 to make payments required under the Technology Assignment Agreement;
- $700,000 to make payments required under the R&D Contracts;
- $237,000 to conduct large animal studies for Ortho-R;
- $230,000 to manufacture two (2) lots of Ortho-R and conduct biocompatibility testing;
- $125,000 for pilot and pivotal trials;
- $150,000 for pilot human trials;
- $200,000 for pivotal human trials; and
- $630,000 for administration expenses and salaries.

Based on the disbursements itemized above and their anticipated payout timeline, the monthly burn rate is in the range of $98,000 to $260,000 with one month's expenditures peaking at an estimated $465,000 based on the costs related to the pivotal human trials. Basic administrative spending runs at an average of $52,500 per month.

As of April 29, 2016, the Corporation has a negative working capital of $510,350 and an estimated cash shortfall of $2,404,060 based on the use of available funds indicated above.

The Corporation's estimated cash shortfall is of upmost concern to the Board and revised spending budgets have been prepared to postpone development activities and reduce some administrative expenses

should the private financing through share purchase or debt be insufficient to cover the cash shortfall. It is important to distinguish between R&D and production/clinical development. The Corporation will continue to fund the *Polytechnique* contracts on a monthly basis, however development activities focused on manufacture of material, and animal and human trials can be postponed and we do not believe that these delays would materially impact the potential for the product or the Corporation. The Corporation can also delay the prosecution of its patents. In doing so the Corporation is not giving up any of its rights or protection of its intellectual property as the patent authorities have built in such delays in the patent regulations and companies are afforded the opportunity to delay the prosecution of patents for confidentiality and strategic reasons.

We have negative cash flow from operating activities. We anticipate that we will continue to have negative cash flow until such time that commercial production is achieved with a product candidate.

DIVIDENDS OR DISTRIBUTIONS

The Corporation's current intention is to re-invest future earning to finance the growth of its business. Consequently, it does not intend to pay dividends in the foreseeable future. Any decision to pay cash dividends is left to the judgment of the Board of Directors and will depend on financial position, results of operations, capital requirements and such other factors as the Board of Directors shall deem relevant.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis for the Corporation is the responsibility of management and the Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the MD&A.

This report was reviewed and approved by the Corporation's Board of Directors on April 29, 2016 and should be read in conjunction with the audited financial statements for the 359-day fiscal year ended January 31, 2016. Unless otherwise noted, all amounts are presented in Canadian dollars.

Additional information relating to the Corporation can also be obtained by going to www.sedar.com.

The information contained in this management discussion and analysis may contain some forward-looking statements. Forward-looking information may include, but is not limited to information with respect to our future financial and operating performance, future development activities and adequacy of financial resources. Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience. Our forward-looking statements are based on the reasonable beliefs, expectations and opinions of management on the date of this management analysis. Although we have attempted to identify important factors that could cause actual results to differ from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information.

OVERVIEW

This management's discussion and analysis provides an overview of the Corporation's operations, performance and financial condition for the 359-day fiscal year ended January 31, 2016.

Ortho Regenerative Technologies Inc. is incorporated under the Canada Business Corporations Act. The Corporation's head office, principal address and registered office is located at 16667 Hymus Blvd., Kirkland, Quebec, Canada.

The Corporation is a research and development biotechnology company, specializing in regenerative medical devices that repair and regenerate damaged joints thereby helping to prevent or delay the onset of osteoarthritis. The current financial statements reflect operating costs which are mainly based on the funding of three Research Agreements that continue to develop the regenerative medicine products. Development of regenerative medicine products is inherently expensive and raising sufficient capital to continue research and development is a major focus of the management team.

Statement of compliance

These financial statements of the Corporation have been prepared for the period from date of incorporation of February 5, 2015 to January 31, 2016 in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). These financial statements have been prepared in accordance with those IFRS standards and IFRIC interpretations issued and effective or issued and early adopted as at the time of preparing these statements.

The preparation of the Corporation's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. In the process of applying the Corporation's accounting policies, management has made judgments and estimates which have the most significant effect on the amounts recognized in the financial statements.

USE OF ESTIMATES AND JUDGEMENTS

The application of the Corporation's accounting policies requires management to use estimates and judgments that can have a significant effect on the revenues, expenses, comprehensive income, assets and liabilities recognized and disclosures made in the financial statements.

Management's best estimates concerning the future are based on the facts and circumstances available at the time estimates are made. Management uses historical experience, general economic conditions and assumptions regarding probable future outcomes as the basis for determining estimates. Estimates and their underlying assumptions are reviewed periodically and the effects of any changes are recognized immediately. Actual results could differ from the estimates used.

Management's budget and strategic plans are fundamental information used as a basis for estimates necessary to prepare financial information. The Management tracks performance as compared to the budget and significant variances in actual performance are a key trigger to assess whether certain estimates used in the preparation of financial information must be revised.

The following areas require management's critical estimates and judgements:

Valuation of deferred tax assets and liabilities

To determine the extent to which deferred tax assets can be recognized, management estimates the amount of probable future taxable profits that will be available against which deductible temporary differences and unused tax losses can be utilized. Such estimates are made as part of the budget process on an undiscounted basis and are reviewed on a quarterly basis. Management exercises judgment to determine the extent to which realization of future taxable income will be available against which the

deductible temporary differences and unused tax losses can be utilized. To the extent that management's assessment of the Corporation's ability to utilize future tax deductions changes, the Corporation would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

Financial liabilities

The classification of Class A shares as a liability requires management to use its judgement in determining that these shares are actually in substance a liability and not an equity instrument. Class A shares liability also requires management to make estimates and assumptions that affect the reported amount of the liabilities and the corresponding gain or loss on changes in fair value. Estimates and assumptions used in determining the fair value of these liabilities include the expected life of the instruments and the volatility of the underlying share price.

Share-based payments

The Corporation measures the cost of share-based payments, either equity or cash-settled, with employees by reference to the fair value of the equity instrument or underlying equity instrument at the date on which they are granted. Estimating fair value for share-based payments requires management to determine the most appropriate valuation model for a grant, which is dependent on the terms and conditions of each grant. In valuing certain types of stock-based payments and warrants granted, the Corporation uses the Black-Scholes option pricing model. Several assumptions are used in the underlying calculation of fair values of the Corporation's stock options and warrants granted using the Black-Scholes option pricing model, including the expected life of the option or warrant, stock price volatility and forfeiture rates.

Intangible assets

Development costs are capitalized as a part of intangible assets when the specific criteria related to technical, market and financial feasibility are met or when a regulatory filing is being prepared and approval is considered highly likely. The likelihood of regulatory approval is reviewed and adjusted for should facts and circumstances change. Technical, market and financial feasibility criteria are assessed annually based on management's experience, general economic conditions and assumptions regarding future outcomes. Future events could cause the assumptions on which the development costs are capitalized to change, which could affect the Corporation's results in the future.

FUTURE ACCOUNTING PRONOUNCEMENTS

Certain new standards, interpretations and amendments to existing standards issued by the IASB or IFRIC that are not yet effective up to the date of issuance of the Corporation's financial statements are listed below. The Corporation is assessing the impact of these pronouncements on its results and financial position. The Corporation intends to adopt these standards when they become effective.

- IFRS 9 - *Financial instruments* - effective for annual periods beginning on or after January 1, 2018
- IFRS 15 - *Revenue from contracts with customers* - effective for annual periods beginning on or after January 1, 2017.
- IAS 1 – *Presentation of financial statements*- effective for annual periods beginning on or after January 1, 2016.
- IFRS 16 – *Leases* – effective for annual periods beginning on or after January 1, 2019.

SELECTED FINANCIAL DATA

The following table sets forth financial information relating to the Corporation from the date of incorporation (February 5, 2015) to January 31, 2016 and should be read in conjunction with the audited financial statements.

	February 5, 2015-January 31, 2016
	$
General & administrative expenses	(497,193)
Stock based compensation	(146,060)
Financial expenses	(7,957)
Fair value adjustment on Class A shares liability	(257,577)
Filing fees	(19,093)
Net loss for the period	(927,880)
Loss per share	
Basic and diluted	(0.11)

The weighted average number of shares outstanding used in the calculation of loss per share at January 31, 2016 is 8,150,084.

Balance Sheet Highlights	**January 31, 2016**
	$
Current assets	907,204
Total assets	1,786,270
Liabilities – current	1,098,139
Liability – long term	333,334
Share Capital	1,006,617
Warrants	130,000
Contributed Surplus	146,060
Deficit	(927,880)

FEBRUARY 5, 2015 – JANUARY 31, 2016 FINANCIAL OVERVIEW

- Net loss from operations is $927,880, which includes a fair value adjustment on the Class A shares liability of $257,577 and stock option compensation of $146,060.

- Cash provided by operating activities is $23,112 and cash provided by financing activities is $1,298,500. Cash used to fund development and acquire intangibles is $675,366.

The Corporation's activities consist of research and development in the area of tissue repair and regeneration for damaged joints. The Corporation does not have any products approved for sale and consequently has no revenue nor does it foresee revenue in the near term. All amounts paid for the acquisition of technologies or know how, as well as all costs related to ongoing research and development activities have been presented as Intangible Assets on the Statement of Financial Position or as Research expenses in the Statement of Loss and Comprehensive Loss.

Product	Indication	Stage
Ortho-R	Rotator cuff tears	Large animal studies (development)
Ortho-M	Meniscus tears	Large animal studies (development)
Ortho-V	Osteoarthritis pain	Feasibility (research)
Ortho-C	Articular cartilage	Discovery (research)

The Corporation intends to generate revenue based on the sale of products that we are currently developing. The Corporation is therefore focused on building brand value for each of its product lines and those potential products that have not yet entered the pipeline. As with any product in development phases, value will be created by a) proving functional efficacy of the product principally through clinical trials, and; b) commercial viability of such products in specific market places through regulatory approvals, generation of health economic data and ensuring manufacturing capability that can give appropriate gross and net margins.

The Corporation currently has sufficient expertise to manage the research and development process for each of the products. The value ascribed to each product will increase significantly as it moves through the development phase and will reach maximal value at the point where it has proven clinical efficacy and obtained regulatory approvals. We currently anticipate the first product to obtain proof of clinical efficacy and regulatory approval to be Ortho-R, in approximately 5 years.

OPERATING EXPENSES

General and administrative expenses are $662,346 for the period from date of incorporation (February 5, 2015) to January 31, 2016. Included are legal and audit fees of $169,276; research costs of $143,252; $146,060 of stock based compensation and $161,063 of salary and general office expenses.

Legal and audit fees are high in relation to what fees should be for normal operations; audit fees are $71,300 for the year as financial statements were prepared for various interim periods for submission with preliminary versions of the prospectus being filed with the security authorities; and legal fees are higher than what could be expected on an on-going basis as there were costs associated with initializing and completing various agreements in the initial set-up of transactions with Polytechnique.

Of the $143,252 of research costs recorded, the costs relate to the Ortho-C project that is in a discovery stage. Ortho-C incurs a monthly cost of $17,500, based on the Polytechnique agreement. The monthly charge from the Polytechnique covers all expenses that they incur relating to the project (i.e. salaries of researchers, materials used, lab fees, overhead costs). Netted against the current fiscal period's total cost of $140,000 on this agreement is an investment tax credit of $52,068. The Corporation also incurred a one-time fee paid to an outside contractor of $55,000.

In the $161,063 of office and administrative expenses recorded in the fiscal period, $71,809 relate to the salary and benefits paid to the newly engaged President/Chief Executive Officer who has taken over the day to day operations of the Corporation. Other expenses incurred were Directors & Officers insurance of $4,500, regulatory consulting of $11,000, news wire fees for press releases of $15,000 and one-time fees paid to a United States consultant for advise on entering the US market.

DEVELOPMENT COSTS

The development costs capitalized of $480,522 are based on the two projects that the Corporation has determined are in the development stage. Ortho-M is for the treatment of complex meniscal tears and Ortho-R focuses on treatment of rotator cuff tears. Both projects are being worked on by the Polytechnique Montreal lab facility, which has been contracted by the Corporation to carry on the development work. $338,872 has been spent on Ortho-M in the current fiscal year and $141,650 has been spent on Ortho-R.

The majority of the costs incurred are based on the funding of the development agreements that have been signed with the Polytechnique, with a minimal amount spent on an outside contractor that is conducting large animal studies. The monthly charge from the Polytechnique covers all expenses that they incur relating to the project (i.e. salaries of researchers, materials used, lab fees, overhead costs).

FINANCIAL EXPENSES

In the period from date of incorporation of February 5, 2015 to January 31, 2016 the financial expenses were $7,957, of which $7,366 relates to interest incurred on the operating loan from Manitex Capital Inc.

FAIR VALUE ADJUSTMENT ON CLASS A SHARES LIABILITY

The Class A shares liability was revalued to reflect the value of this liability based on a fair value method calculation that used the share unit price of the private placements closed in January 2016. This re-valuation necessitated management to make estimates and assumptions in the valuation model and the corresponding fair value adjustment was recorded to the statement of loss. This type of adjustment does not require a cash out-flow in the current year and has no tax impact.

INCOME TAXES

The Corporation has accumulated non-capital losses of approximately $968,779 and $962,967 for income tax purposes for Federal and Quebec governments respectively, which are available to be applied against future taxable income and expire in 2035. The Corporation has not recognized the tax benefit of the losses; they will be recognized when future profits are probable.

DEFERRED SHARE ISSUE COSTS

The Corporation has incurred deferred share issue costs of $153,874, which are composed of legal, other professional and filing fees regarding the preparation and filing of a Prospectus with Canadian security authorities. The Prospectus qualifies the distribution of a certain number of Ortho shares held by Manitex Capital Inc. as a Dividend-in-Kind to the current Manitex Capital Inc. shareholders.

CASH FLOWS, LIQUIDITY AND CAPITAL RESOURCES

CASH FLOWS:

Sources and Uses of Cash	**February 5, 2015 – January 31, 2016** $
Operating activities:	
Net loss from operations	**(927,880)**
Share based compensation	**146,060**
Fair value adjustment on Class A shares liability	**257,577**
Net Change in non-cash operating working capital	**547,355**
Cash provided by operations	**23,112**
Investing activities:	
Increase in Intangible Assets	**(675,366)**

Financing activities:	
Cash provided by financing activities	**1,298,500**
Increase in cash	**646,246**
Cash, beginning of year	**-**
Cash, end of year	**646,246**

(a) Operating activities

Cash used in operations represents the cash flow from profit or loss, excluding expenses not affecting cash and the net change in non-cash operating working capital. During the current period non-cash items are comprised of the $146,060 recorded for share based compensation and the $257,577 fair value adjustment on the Class A shares liability. The net change in non-cash working capital was affected by the increase in accounts payable and accrued liabilities of $634,466, the increase in sales tax receivable and prepaid expenses of $35,043 and the increase in the investment tax credit of $52,068.

(b) Investing activities

The Corporation incurred costs of $899,039 to fund on-going development activities, acquire technology and submit patent applications. Netted against the cost of development activities are investment tax credits from federal and provincial tax authorities in the amount of $173,847.

Development costs incurred are based on the disbursements required under the two Polytechnique Agreements that involve development work and also a disbursement of $118,367 required under the Intellectual Property Assignment agreement that related to work done on Ortho-M.

Funds of $333,150 were used to acquire intellectual property, as required by the Intellectual Property Assignment agreement.

(c) Financing activities

During the current period the Corporation received $1,150,617 from the issuance of common shares, $75,757 from the issuance of share capital as debt, and $240,000 from its operating loan capacity. $167,874 of deferred and current share issuance costs were netted against these cash in-flows to give net cash of $1,298,500 being provided by financing activities.

LIQUIDITY AND CAPITAL RESOURCES:

	January 31, 2016 **$**
Cash	**646,246**
Working Capital [(i)]	**(190,935)**
Total assets	**1,786,270**

(i) Working capital is a measure of current assets less current liabilities

At January 31, 2016 the Corporation has used all of its operating loan capacity of $240,000. The Corporation's primary objective with respect to its capital management is to ensure that is has sufficient financial resources to meet its financial obligations.

The Corporation has commitments under the three Polytechnique Agreements to fund $58,333 on a monthly basis for the next 28 months. The Corporation also had a commitment to fund $171,410 in calendar 2016 under the Intellectual Property Assignment and Technology Transfer Agreement.

The current working capital deficiency is a situation that is being addressed by the Corporation and its Board of Directors.

To secure the additional capital necessary to fund the negative working capital and the development projects, the Corporation is actively attempting to raise funds through the issuance of equity or by securing strategic partners. As at April 29, 2016, the Corporation has raised $730,000 through private placements closed in January and February 2016.

The Corporation's use of available funds over the upcoming year is of upmost concern to the Board and revised spending budgets have been prepared to postpone development activities and reduce some administrative expenses should the private financing through share purchase or debt be insufficient to cover the cash shortfall. It is important to distinguish between R&D and production/clinical development. The Corporation will continue to fund the Polytechnique contracts on a monthly basis, however development activities focused on manufacture of material, and animal and human trials can be postponed and we do not believe that these delays would materially impact the potential for the product or the Corporation. The Corporation can also delay the prosecution of its patents. In doing so the Corporation is not giving up any of its rights or protection of its intellectual property as the patent authorities have built in such delays in the patent regulations and companies are afforded the opportunity to delay the prosecution of patents for confidentiality and strategic reasons.

Discussion of operation cash requirements:

All four products in our current portfolio will require significant investment to increase their value (through, for example, clinical trials) to a strategic partner. We currently estimate that an investment of $20million will be required over time to complete the research and development, including regulatory approvals and manufacturing validation.

There are a number of areas where duplication between product lines can be avoided, for example in the manufacture of our chitosan material, which is common across our product platform. We do not therefore need to replicate manufacturing capability, or the associated costs, for each of the four products.

Ortho-R is in a pure development phase and represents our lead product for commercialization. We anticipate that pilot clinical trials may start as early as Q1 2017, and the current stage of the program is concentrated on ensuring that all preclinical activities are complete: these preclinical activities include formal biocompatibility testing, large animal preclinical efficacy study(ies), and the transfer of the manufacturing process to a contract manufacturing organization. All of these activities have commenced and we anticipate that all can be accomplished with the expenditure of a further $1M, as well as the on-going commitment to funding the Polytechnique agreement of $17,500 per month for the next 28 months.

Ortho-M is our second candidate and is also in a development phase. Large animal preclinical models have started. We anticipate a similar pathway and plan to Ortho-R, but lagging behind by approximately 6 months. We are therefore assuming that pilot studies could start in approximately Q3 2017, and will require an investment of approximately $0.5M, as well as the on-going commitment to funding the Polytechnique agreement of $23,333 per month for the next 28 months.

Ortho-C is in a research and discovery phase. The Corporation (through its ongoing funding) will continue to investigate possible formulations and conduct small and large animal research studies to investigate possible efficacy in articular cartilage repair. As such, the associated costs are covered by the ongoing commitment under the third research agreement with Polytechnique, the terms of which require a monthly investment of $17,500 for the next 28 months.

Ortho-V is a discovery and feasibility project, funding for which will come from the same research agreement with Polytechnique that covers the development of Ortho-M. To date minimal funding has been applied to this project. During fiscal 2017, we will conduct a preclinical feasibility study which will demonstrate whether the proposed formulation has the ability to affect osteoarthritis or the pain associated with osteoarthritis. If successful, the technology can then enter a more active phase.

TRANSACTIONS WITH RELATED PARTIES

Included in accounts payable and accrued liabilities is an amount of $140,566 due to Manitex Capital Inc. for reimbursement of expenses that were made on behalf of the Corporation. Included in administrative and office expenses are key management salary and benefits of $71,809 relating to the position of President of the Corporation as well as $74,780 of stock option compensation relating to the President and Chief Executive Officer's options that have vested during the fiscal year. All other related party transactions have been disclosed in the financial statements.

FINANCIAL RISK MANAGEMENT

The Corporation's activities expose it to financial risks: market risk specifically to cash flow and fair value interest rate risk and liquidity risk. The Corporation's overall risk management program focuses on the unpredictability of the financial market and seeks to minimize potential adverse effects on the Corporation's financial performance. The Corporation does not use derivative financial instruments to hedge these risks.

Management determined that the Corporation is not exposed to currency and credit risk arising from these financial instruments.

a) Market risk

Cash flow and fair value interest rate risk
The Corporation is exposed to fair value interest rate risk due to the operating loan negotiated at a fixed rate.

b) Fair value risk

The Corporation's financial instruments consist of cash, accounts payable and accrued liabilities and the operating loan. The fair value of these financial instruments approximated the carrying value due to the short term maturity of the instruments.

c) Capital risk management

The Corporation' objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for the shareholders and benefits for other stakeholders. The Corporation includes equity, comprised of issued common shares and contributed surplus, in the definition of capital. The Corporation' primary objective with respect to its capital management is to ensure that is has sufficient financial resources to meet its financial obligations. To secure the additional capital necessary to pursue these plans, the Corporation is actively attempting to raise additional funds through the issuance of equity or by securing strategic partners. The Corporation is not subject to any externally imposed capital requirements.

COMMITMENTS

a) On June 19, 2015 the Corporation entered into three long-term Research Service Agreements with La Corporation de l'École Polytechique ("Polytechnique") requiring disbursements for a total of $2,100,000.

   i) Shoulder (Ortho-R): $17,500 monthly for 36 months for a total of $630,000. The Corporation has recorded eight of the monthly payments in the current year for a total of $140,000.

   ii) Knee (Ortho-V and Ortho-M): $23,333.33 monthly for 36 months for a total of $840,000. The Corporation has recorded eight of the monthly payments in the current period for a total of $186,667.

   iii) Cartilage Repair (Ortho-C): $17,500 monthly for 36 months for a total of $630,000. The Corporation has recorded eight of the monthly payments in the current period for a total of $140,000.

b) On June 19, 2015, the Corporation entered into an Intellectual Property Assignment and Technology Transfer Agreement with Polyvalor Limited Partnership. Payments remaining under this Agreement are as follows:

   i) A non-refundable fee of $35,000 payable on February 28, 2016. This amount was paid subsequent to year end.

   ii) A non-refundable fee of $36,410 payable on October 31, 2016

   iii) A non-refundable fee of $100,000 payable on or before May 31, 2016

When the product is commercialized, the Corporation must make non-refundable payments to Polyvalor equal to 1.5% of Net Sales.

In the event that the Corporation fails to perform any of the payments provided in this Agreement, compound interest at an annual rate of 12% will be applied on any unpaid balance at the end of each month.

In addition, by February 28, 2016 the Corporation was required to obtain and conclude cumulative rounds of financing for a minimum amount of $1,470,000 (identified as Round 1), which includes the amount of $500,000 paid by Manitex Capital Inc. for its common shares and the operating loan of $240,000. The Corporation has completed its minimum first round financing of $1,470,000 by the due date of February 28, 2016. By May 31, 2016, the Corporation must obtain and conclude cumulative rounds of financing for a minimum amount of $2,600,000 (identified as Round 2), which includes the $1,470,000 financing in Round 1. In the event that the Corporation is not able to obtain financing as described, the Corporation will have a period of three (3) months from each date of the Rounds to find alternative financing solutions, which will require approval by an investment committee. If such approval is not obtained nor the financing secured, the Agreement can be unilaterally terminated by Polyvalor. Any and all amounts owed will become payable immediately and the assigned Intellectual Property will immediately and automatically revert back to Polyvalor for a nominal amount of $1.

SUBSEQUENT EVENTS

During the month of February 2016, the Corporation closed a private placement for 160,000 units at a subscription price of $0.50 per unit, with each unit consisting of one Class A common share and one-half common share purchase warrant. A full warrant will entitle the holder to acquire one common share at an exercise price of $0.70 per share at any time on or before the close of business on a date that is twenty-four months from the subscription date. If, during the twenty-four months after that date, the Corporation's weighted average share price for 30 consecutive trading days equals or exceeds $1.00, the Corporation may give notice to the warrant holders that they must exercise their warrants within a period of 30-days from

the date of receipt of the notice. The private placement was completed by an authorized dealer, with fees of 5% of the placement value and 5% of shares issued.

On April 25, 2016, Manitex Capital Inc. signed an undertaking to provide $1,130,000 of additional financing to the Corporation. The exact amount of the additional financing will be equal to the difference between $2,600,000 and the total amount of financing secured by the Corporation, through cumulative rounds of financing, prior to May 31, 2016. The additional financing will be under the same terms and conditions as the loan agreement entered into on June 19, 2015 and amended on January 31, 2016.

On April 29, 2016 the Corporation filed a prospectus with specific security regulatory authorities in connection with an initial public offering of its shares by way of Manitex Capital Inc. distributing a dividend-in-kind of Ortho Class A Common Shares to the holders of Manitex shares. Manitex is an existing shareholder of the Corporation and currently holds 5,109,000 shares of Ortho. The dividend-in-kind of Class A Common Shares of Ortho will be paid on the basis of one share for every ten Manitex shares which are outstanding on the Record Date, to be set by Manitex's Board of Directors. On April 29, 2016 Manitex has 12,561,276 shares that are issued and outstanding. Manitex will cause the distribution of 1,256,127 Ortho shares to holders of Manitex shares, pursuant to the prospectus, at a deemed value of $0.50 per share.

THE PARTIAL SPIN-OFF

Mechanics of the Partial Spin-Off

Manitex Capital Inc. is an investment company with holdings in several life science and clean technology companies. Manitex currently has 12,561,276 common shares outstanding which are quoted for trading on the TSX-V under the symbol "MNX".

Currently, Manitex holds a 36.57% equity interest in the Corporation. To complete the partial spin-off transaction ("**Partial Spin Off**"), Manitex will distribute, as a dividend-in-kind, 1,256,127 Shares *pro rata* to the Shareholders as at the Dividend Record Date. The distribution of the Dividend will be completed as soon as possible but in any event, no later than 90 days from the date of this Prospectus As of the date of this Prospectus, based on the number of Manitex Shares currently issued and outstanding, each Manitex Shareholder on the Record Date would receive one Share for each ten (10) Manitex Shares held. See "Description of Securities Transferred as Dividend-in-Kind". Shareholders will not receive shares or cash in lieu of fractional Shares. The remaining interest in the Corporation will continue to be held by Manitex following the Partial Spin-Off.

Holders of Manitex Shares resident in Canada who receive Shares pursuant to the Partial Spin-Off will be considered to have received a taxable dividend for Canadian federal income tax purposes equal to the fair market value of the Shares so received, and holders of Manitex Shares considered not resident in Canada will be subject to Canadian federal withholding tax at the rate of 25% on the amount of the Dividend, subject to reduction under the terms of any applicable income tax treaty or convention. See "Certain Canadian Federal Income Tax Considerations" for a more detailed discussion. A portion of the cash proceeds (if any) equal to the Canadian federal and U.S. "backup" withholding taxes applicable to the special dividend will be withheld and remitted to the CRA or the U.S. Internal Revenue Service ("**IRS**") (as applicable) in satisfaction of the withholding tax liabilities described above.

Registration

The Shares will be distributed by Manitex to or on behalf of the Manitex Shareholders determined as of the Record Date.

Each Shareholder who holds Manitex Shares in registered form on the Record Date will be mailed a copy of this Prospectus and certificates representing the Shares, or other evidence of the securities, that such Shareholder is entitled to receive.

Book-Based System

The Shares distributed pursuant to this Prospectus will be delivered electronically through the non-certificated inventory (NCI) system of CDS. On the date the Dividend is paid, the Corporation, via its transfer agent, will electronically deliver the Shares registered to CDS or its nominee. Transfers of ownership of Shares in Canada must be effected through a CDS participant, which includes securities brokers and dealers, banks and trust companies. All rights of shareholders who hold Shares in CDS must be exercised through, and all payments or other property to which such shareholders are entitled, will be made or delivered by CDS or the CDS participant through which the shareholder holds such Shares. A holder of a Share will not be entitled to a certificate or other instrument from the Corporation or the Corporation's transfer agent evidencing that person's interest in or ownership of Shares, nor, to the extent applicable, will such holder be shown on the records maintained by CDS, except through an agent who is a CDS participant.

The Shares to be distributed under this Prospectus may not be offered or sold in the United States by holders thereof unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities within the United States.

Transfer and Exchange of Shares

Transfers of beneficial ownership in Shares will be effected through records maintained by CDS or its nominees for such Shares (with respect to interests of CDS Participants) and on the records of CDS Participants (with respect to interests of persons other than CDS Participants). Unless the Corporation elects, in its sole discretion, to prepare and deliver definitive share certificates, beneficial owners who are not CDS Participants in the depository's NCI system, but who desire to purchase, sell or otherwise transfer ownership of or other interests in Shares, may do so only through CDS Participants in the depository's NCI system.

The ability of a beneficial owner of an interest in a Share to pledge such Share or otherwise take action with respect to such owner's interest in a Share (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

Determination of Price

The deemed value of the Shares issued pursuant to this Prospectus is equal to $0.50 per Share.

Qualification of Securities

This Prospectus qualifies the distribution of the Shares forming the Dividend.

DESCRIPTION OF THE SECURITIES DISTRIBUTED AS A DIVIDEND-IN-KIND

The Corporation is authorized to issue an unlimited number of Class A common shares (the "**Shares**") without par value which shall be issued for an unlimited consideration and which shall carry and be subject to the following rights, privileges, restrictions and conditions:

Dividends

Subject to the provisions of the *Canada Business Corporations Act* (the "**Act**"), the holders of the Shares shall be entitled to receive, equally and without preference to the holders of class "AA" shares, when and as declared by resolution of the Board of Directors and in its discretion, dividends payable at such time

and in such amounts and at such place or places in Canada as the Board of Directors may from time to time determine.

Return of Capital

In the event of the liquidation, dissolution or bankruptcy of the Corporation, whether voluntary or otherwise, or on any distribution of assets among the shareholders in order to liquidate the affairs of the Corporation, the holders of the Shares shall be entitled, on a share-for-share basis, to share in the remaining assets of the Corporation after prior payment to the holders of the Class B Preferred and equally and without preference to the holders of class "AA" shares.

Voting

The holders of the Shares shall be entitled to receive notice of and to attend and to vote at any meeting of shareholders of the Corporation, except meetings where only the holders of one class of shares of the Corporation shall have the right to vote as a class. They shall have one vote per Share held by them.

The rights, privileges and restrictions ascribed to the Shares cannot be modified, repealed, and new classes of shares taking rank concurrently or in preference to such Shares cannot be created unless a special resolution of the shareholders is accepted to that end, by at least two-thirds (2/3) of the votes expressed by the holders of the Shares, present or represented at a special meeting duly called for to consider this special resolution and that the articles of amendment be, where applicable, filed with the Director in accordance with the *Canada Business Corporations Act.*

CONSOLIDATED CAPITALIZATION

The following table sets forth the capitalization of the Corporation as at January 31, 2016 based on the financial statements of the Corporation for the 359-day fiscal year ended January 31, 2016.

On January 29, 2016, the Corporation closed a private placement of $650,000 through the issuance of 1,300,000 units ("**Units**") at $0.50 per Unit, each Unit comprising of one common share and one-half (1/2) common share purchase warrant ("**Warrants**"). Each full Warrant entitles the holder to purchase one common share at $0.70 per share. The Warrants have a term of twenty-four (24) months and expire on January 28, 2017. If, during the twenty-four (24) months period the Corporation's weighted average share price for 30 consecutive trading days equals or exceeds $1.00, the Corporation may give notice to the Warrant holders that they must exercise their remaining Warrants within a period of 30 days from the date of receipt of the notice.

On February 29, 2016, the Corporation closed a second tranche of a private placement financing and has issued 160,000 Units at a price of $0.50 per Unit for gross proceeds of $80,000. A cash commission of $4,000 was paid and 8,000 Shares were issued to a broker at closing, pursuant to a finder's fee agreement.

Designation of Security	Authorized Amount	Outstanding as at January 31, 2016 (audited)	Outstanding as at the date of this Prospectus
Class A Common Shares	Unlimited	13,800,000	13,968,000
Warrants	-	650,000	730,000
Share Options	10% of issued and outstanding Common Shares	1,025,000	1,025,000

OPTIONS TO PURCHASE SECURITIES

Share Option Plan

On November 20, 2015, the Board of the Corporation adopted the Corporation's Share Option Plan, which is effective immediately.

The Share Option Plan provides that the aggregate number of Shares reserved for issuance, set aside and made available for issuance under the Share Option Plan may not exceed 10% of the number of issued Shares at the time the options are granted.

The maximum number of options which may be granted to any one beneficiary in a 12 month period shall not exceed 5% of the issued Shares, calculated at the date the option was granted.

The Share Option Plan is administered by the Board of Directors of the Corporation and it has full and final authority with respect to the granting of all options thereunder. Options may be granted under the Share Option Plan to such directors, officers, employees or consultants of the Corporation and its affiliates, if any, as the Board of Directors may from time to time designate. The exercise price of any options granted under the Share Option Plan shall be determined by the Board of Directors, subject to any applicable regulations or policies. The term and vesting of any options granted under the Share Option Plan shall be determined by the Board of Directors at the time of grant, however, subject to earlier termination in the event of dismissal for cause, termination other than for cause or in the event of death, the term of any options granted under the Share Option Plan may not exceed five years.

Options granted under the Share Option Plan are not to be transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession to a qualified successor. In the event of death of an option holder, options granted under the Share Option Plan expire upon the earlier of the normal expiry date of the options or one year from the date of death of the option holder. Subject to certain exceptions, in the event that an employee, director, officer, consultant or individual conducting investor relations activities ceases to hold office, options granted to such a holder under the Share Option Plan will expire 90 days after the holder ceases to hold office or such earlier date as the Board of Directors may decide at the date the options were granted. Notwithstanding the foregoing, in the event of a termination for cause of an option holder, all unexercised options held by such option holder shall immediately terminate.

As of the date of this Prospectus, the following table provides information about options to purchase Shares of the Corporation that are held by (i) executive officers and directors as a group, indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies; and (ii) all members of the Scientific Advisory Board as a group.

Name	Designation and Number of Securities under Option as of the date hereof	Exercise Price ($)	Expiry Date
One director of the Corporation	**100,000**	**$0.10**	**June 30, 2020**
One officer of the Corporation	**625,000**	**$0.20**	**November 25, 2020**
All three (3) members of the Scientific Advisory Board, as a group	**300,000**	**$0.10**	**July 31, 2020**

PRIOR SALES

The following table summarizes the issuance of the Shares by the Corporation from date of incorporation (February 5, 2015) to the date of this Prospectus:

Date of Issue	Price per Security	Number and Type of Security
February 5, 2015	$0.0001	10,000 Shares
May 5, 2015	$0.0001	2,212,222 Shares
June 19, 2015	$0.0001	3,944,444 Shares
June 19, 2015	$0.0909	6,333,334 Shares
January 29, 2016	$0.50	1,300,000 Units
February 29, 2016	$0.50	168,000 Units

ESCROWED SECURITIES

On completion of the Partial Spin-Off, the Corporation will be classified as an "emerging issuer" for the purposes of NP 46-201. Under NP 46-201, securities held by principals of the Corporation ("**Principals**") will be held in escrow subject to the terms of an escrow agreement for a period of time following the Corporation's Prospectus filing as an incentive for the principals to devote their time and attention to the Corporation's business while they are securityholders. Principals include all persons or companies that, on the completion of the Partial Spin-Off, fall into one of the following categories:

a) persons or companies who acted as a promoter of the Corporation during the two years preceding the date of the Prospectus;

b) directors and senior officers of the Corporation or a material operating subsidiary;

c) those who own or control more than 10% of the Corporation's voting securities immediately before and immediately after completion of the Partial Spin-Off if they also have appointed or have the right to appoint one or more of the Corporation's directors or senior officers or one or more of the directors or senior officers of a material operating subsidiary;

d) those who own or control more than 20% of the Corporation's voting securities immediately before and immediately after completion of the Partial Spin-Off; and

e) associates and affiliates of any of the above.

A company, trust, partnership or other entity where more than 50% of the voting securities are held by one or more principals will be treated as a principal. A principal's spouse and their relatives that live at the same address as the principal will also be treated as principals and any securities of the issuer they hold will be subject to escrow requirements. A principal that holds securities carrying less than 1% of the voting rights attached to the Corporation's outstanding securities immediately after the Partial Spin-Off is not subject to escrow requirements.

The following is a summary of the securities that will be held in escrow, to our knowledge, following the completion of the Partial Spin-Off and the percentage of the Corporation's outstanding securities represented by such escrowed securities.

Name of Shareholder	Number and Class of Shares	Percentage
Manitex Capital Inc.	5,109,000 Class A Shares	36.57%
Polyvalor	833,334 Class A Shares	5.96%
M. Buschmann	2,222,222 Class A Shares	15.9%
C. Hoemann	1,666,667 Class A Shares	11.9%
A Chevrier	833,334 Class A Shares	5.96%
M. Lavertu	444,444 Class A Shares	3.18%
M. Hurtig	222,222 Class A Shares	1.59%
V. Darras	222,222 Class A Shares	1.59%
W. Ouyang	111,111 Class A Shares	0.79%
J. Tremblay	111,111 Class A Shares	0.79%
D. Veilleux	111,111 Class A Shares	0.79%
G. Chen	111,111 Class A Shares	0.79%
J. Guzman-Morales	111,111 Class A Shares	0.79%
Helen Saviuk	125,000 Class A Shares	0.89%
Kristof Biniecki	125,000 Class A Shares	0.89%
Marc Léger	125,000 Class A Shares	0.89%
Jeff Skinner	125,000 Class A Shares	0.89%

The Shares listed above (the "**Escrowed Securities**") will be held in escrow pursuant to an escrow agreement among the Corporation, Computershare Investor Services Inc. and each of the Principals. The Escrowed Securities will be released according to the following schedule:

Release Date Portion of Escrowed Securities Released

Release Date	Portion of Escrowed Securities Released
On the date the Corporation's securities are listed on a Canadian exchange (the "listing date")	1/10 of the Escrowed Securities
Six months after the listing date	1/6 of the remaining Escrowed Securities
12 months after the listing date	1/5 of the remaining Escrowed Securities
18 months after the listing date	1/4 of the remaining Escrowed Securities

Release Date	Portion of Escrowed Securities Released
24 months after the listing date	1/3 of the remaining Escrowed Securities
30 months after the listing date	1/2 of the remaining Escrowed Securities
36 months after the listing date	The remaining Escrowed Securities

PRINCIPAL SECURITYHOLDERS

At the date of this Prospectus, no person beneficially owns, directly or indirectly, or exercises control or direction over, the Common Shares carrying more than 10% of the outstanding voting rights attached to the Common Shares, other than the following:

Name	Number of Securities Held	Percentage of Total Issued and Outstanding Common Shares	Number of Securities Held Following the Distribution of the Dividend-in-Kind	Percentage of Issued and Outstanding Common Shares following the Distribution of the Dividend-in-Kind
Manitex Capital Inc.	5,109,000	36.57%	3,852,873	27.58%
Michael Buschmann	2,222,222	15.9%	2,222,222	15.9%
Caroline Hoemann	1,666,667	11.9%	1,666,667	11.9%

DIRECTORS AND EXECUTIVE OFFICERS

Current Directors and Officers

The name, province and country of residence and position with the Corporation of each director and officer of the Corporation, and the principal business or occupation in which each director and officer of the Corporation has been engaged during the immediately preceding five years, and the period during which each has served in his current position is set out in the table below. Each director's term of office will expire at the next annual general meeting of the Corporation.

Name, Province and Country of Residence	Position with the Corporation	Period as Director and/or Officer of the Corporation	Principal Occupation During the Past Five Years	Number of Common Shares and Percentage of Common Shares Held in the Corporation
Steven Saviuk [(1)] Beaconsfield, Qc, Canada	Director, Executive Chairman of the Board	February 5, 2015 to present	President and Chief Executive Officer of Manitex Capital Inc. President and Chief Executive Officer of Valeo Pharma Inc.	Nil

Name, Province and Country of Residence	Position with the Corporation	Period as Director and/or Officer of the Corporation	Principal Occupation During the Past Five Years	Number of Common Shares and Percentage of Common Shares Held in the Corporation
Prof. Michael Buschmann Montreal, Qc, Canada	Director, Chief Scientific Officer	February 5, 2015 to present	Professor at *Polytechnique Montréal*	2,222,222 16.10%
Prof. Caroline Hoemann Montreal, Qc, Canada	Director	April 30, 2015 to present	Professor at *Polytechnique Montréal*	1,666,667 12.08%
Edward Margerrison Austin, Texas, USA	President and Chief Executive Officer	November 26, 2015 to present	Vice-President Biologics at Zimmer Inc.	Nil
Laurence Terrisse-Rulleau (1) Laval, Qc, Canada	Director	July 1, 2015 to present	Principal at CTI Life Science Fund II VP Business Development at *Gestion Univalor*	Nil
Thomas Martinuzzo (1) Outremont, Qc, Canada	Director	July 1, 2015 to present	Senior Manager at *Gestion Univalor*	Nil
Helen Saviuk Pincourt, Qc, Canada	Chief Financial Officer	February 5, 2015 to present	Chief Financial Officer of Manitex Capital Inc. Chief Financial Officer of Valeo Pharma Inc.	125,000 0.9%

(1) Member of the Audit Committee

The term of office of the directors expires annually at the time of the Corporation's annual general meeting. The term of office of the officers expires at the discretion of the Corporation's directors. All of the directors of the Corporation have entered into non-competition or non-disclosure agreements with the Corporation.

Biographies

Steven Saviuk, Executive Chairman of the Board

Steven Saviuk is a director and Executive Chairman of the Board of the Corporation since February 5, 2015. Mr. Saviuk has an extensive background in finance and venture capital investing including a number of successful health science companies. He co-founded Valeo Pharma in 2003 and has served as its President and CEO since its inception and has overseen its transformation from its early years as an in-licensor of established brands to a fast growing full service Canadian pharmaceutical company.

Michael Buschmann, Director

Michael Buschmann is a director and Chief Scientific Officer of the Corporation since February 5, 2015. He is a Professor at *Polytechnique* Montréal since June 1994. Professor Buschmann has a PhD in Medical Engineering and Medical Physics from MIT and Harvard University, with postdoctoral training in cartilage repair and histology completed at the University of Bern in Switzerland. Since 1994 he has

conducted a multidisciplinary research program at *Polytechnique* Montréal that focuses on the use of biomaterials to repair meniscus, rotator cuff and cartilage and to deliver mRNA and small interfering RNA using nanovectors.

Caroline Hoemann, Director

Caroline Hoemann is a director of the Corporation since April 30, 2015. She is Professor of the Department of Chemical and Biomedical Engineering at *Polytechnique* Montréal since October 2005 as well as a member of the Biomedical Science and Technologies Research Centre (GRSTB). Professor Hoemann has a M. Sc. in Applied Biology and a PhD in Toxicology from MIT as well as a B.A. from the University of California in San Diego. Professor Hoemann is a member of the Ordre des Ingénieurs du Québec since 2010.

Laurence Terrisse-Rulleau, Director

Laurence Terrisse-Rulleau is a director of the Corporation since July 1, 2015. She is a principal at CTI Life Science Fund II since December 2014. From November 2011 to December 2014 she was V.P. Business Development at Gestion Univalor. From February 2008 to November 2011 she was CEO at HLA-6 Techno located in France. Mrs. Terrisse-Rulleau has a Master in Biology from the Université du Québec à Montréal and a Ph.D. in molecular biology from Université de Montréal.

Thomas Martinuzzo, Director

Thomas Martinuzzo is a director of the Corporation since July 1, 2015. He is Senior Manager, Sciences and Engineering at Gestion Univalor Inc. since July 2006. Mr. Martinuzzo has a degree in Engineering from Haute Études d'Ingénieurs (HEI), France and is a member of the Ordre des Ingénieurs du Québec.

OTHER REPORTING ISSUER EXPERIENCE

The following table sets out the directors and officers of the Corporation that are, or have been within the last five years, directors, officers or promoters of other issuers that are or were reporting issuers in any Canadian jurisdiction:

Name	Name of Reporting Issuer	Name of Exchange or Market (if applicable)	Position	From	To
Steven Saviuk	Manitex Capital Inc.	TSX-V	Director, President and Chief Executive Officer	March 20, 1995	present
Steven Saviuk	Cabia Goldhills Inc.	TSX-V	Director, Chief Financial Officer	October 26, 2011	October 28, 2015
Helen Saviuk	Manitex Capital Inc.	TSX-V	Director, Chief Financial Officer	March 29, 2010	present

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as disclosed below, no director or executive officer or promoter of the Corporation is, at the date of this Prospectus, or has been, within the 10 years prior to the date this Prospectus, a director, chief executive officer or chief financial officer of any issuer (including the Corporation) that:

(a) was subject to an Order (as defined below) that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an Order that was issued after the director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

"**Order**" means a cease trade order or similar order or an order that denied an issuer access to any statutory exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

In addition, except as disclosed below, no director or executive officer or promoter of the Corporation or shareholder holding sufficient number of securities of the Corporation to affect materially the control of the Corporation:

(a) is, at the date this Prospectus, or has been within the 10 years before the date hereof, a director or executive officer of any issuer (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

(b) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person; or

(c) has been subject to:

(i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Steven Saviuk, the Executive Chairman of the Corporation, was a Director and the Chief Financial Officer of Cabia Goldhills Inc. (CGH.V) ("**Cabia**") until October 28, 2015. On April 5, 2013 a cease trade order, which is still in effect, was issued by the *Autorité des marchés financiers* against Cabia for failing to file its annual financial statements within the required time period.

Conflicts of Interest

The directors of the Corporation are required by law to act honestly and in good faith with a view to the best interest of the Corporation and to disclose any interests which they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict is required to disclose his interest and abstain from voting on such matter.

To the best of the Corporation's knowledge, there are no known existing or potential conflicts of interest among the Corporation, its promoters, directors, officers or other members of management of the Corporation as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management serve as directors, officers, promoters and members of management of other private and public companies.

The directors and officers of the Corporation are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and the Corporation will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. Such directors or officers, in accordance with the *Business Corporations Act* (Quebec) are required to disclose all such conflicts and are expected to govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

Management of the Corporation

The following provides additional information regarding the Corporation's directors and executive officers. All of the directors and officers are employees of the Corporation and have entered into non-competition or non-disclosure agreements with the Corporation.

Name, Occupation and Security Holding

Edward Margerrison (51 years old) – President and CEO (full time)

Edward Margerrison is President and CEO of the Corporation since November 26, 2015. He was Vice-President Biologics at Zimmer Inc. since 2010 until his departure in November 2015. From 2007 until 2010 he was the Vice President, Program Management at Akela Pharma. Both Zimmer Inc. and Akela Pharma are still carrying on business. Mr. Margerrison has a B.A in Biochemistry from Queen's College in Oxford, United Kingdom and a Ph.D. in molecular biology from St George's Hospital Medical School, United Kingdom. Mr. Margerrison is President and CEO of the Corporation on a full-time basis.

Michael Buschmann (53 years old) – VP – Chief Scientific Officer (part time)

Michael Buschmann is Chief Scientific Officer of the Corporation since February 5, 2015. He is a Professor at *Polytechnique* Montréal since June 1994. Professor. Buschmann has a PhD in Medical Engineering and Medical Physics from MIT and Harvard University, with postdoctoral training in cartilage repair and histology completed at the University of Bern in Switzerland. Since 1994 he has conducted a multidisciplinary research program at *Polytechnique* Montréal that focuses on the use of biomaterials to repair meniscus, rotator cuff and cartilage and to deliver mRNA and small interfering RNA using nanovectors. Professor Buschmann will devote approximately 50% of his time to the Corporation.

Helen Saviuk (62 years old) - VP – Chief Financial Officer (part time)

Helen Saviuk is Chief Financial Officer of the Corporation since February 5, 2015. She has held various positions in financial accounting throughout her career for the last twenty years and has been Chief Financial Officer of Manitex Capital Inc. since 2010. She has also been active in Valeo Pharma Inc. since its inception in 2003 and was involved in setting the base structure for various departments of the company, specifically concentrating on all financial operations, as well as supply chain management. Ms. Saviuk will devote approximately 20% of her time to the Corporation.

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

Summary Compensation

During the period from incorporation date (February 5, 2015) to January 31, 2016, compensation and benefits of $71,809 were paid to or earned by the individual who served as President and Chief Executive Officer. During this period, no other compensation was paid to the individuals who served as the former President and Chief Executive Officer, Chief Scientific Officer or Chief Financial Officer. The Corporation did not have any other executive officers during the fiscal period.

For the purpose of this section:

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Corporation or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Corporation or any of its subsidiaries (if any);

"**NEO**" or "**named executive officer**" means:

(a) each individual who served as chief executive officer ("**CEO**") of the Corporation, or who performed functions similar to a CEO, during any part of the most recently completed financial year,

(b) each individual who served as chief financial officer ("**CFO**") of the Corporation, or who performed functions similar to a CFO, during any part of the most recently completed financial year,

(c) the most highly compensated executive officer of the Corporation or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000 for that financial year, and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;

Director and Named Executive Officer Compensation, excluding Compensation Securities

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Corporation thereof to each NEO and each director of the Corporation, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Corporation:

Table of compensation excluding compensation securities							
Name and position	**Year**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($)**
Edward Margerrison, President and Chief Executive Officer	359-day fiscal year ended January 31,2016	$71,809	nil	nil	nil	nil	$71,809[(1)]
Steven Saviuk, Former President and Chief Executive Officer Director, Executive Chairman of the Board	359-day fiscal year ended January 31,2016	nil	nil	nil	nil	nil	nil
Helen Saviuk, Chief Financial Officer	359-day fiscal year ended January 31,2016	nil	nil	nil	nil	nil	nil

(1) Mr. Margerrison became President and Chief Executive Officer of the Corporation on November 26, 2015.

Share Option Grants

As of the date hereof there are 1,025,000 share options outstanding under the Share Option Plan. We expect to grant share options to employees, officers and directors in the normal course after the Record Date. See “Options to Purchase Securities - Outstanding Options”. The following table sets out the directors and officers of the Corporation who were granted share options of the Corporation:

Compensation Securities					
Name and position	**Type of compensation security**	**Number of compensation securities, number of underlying securities and percentage of class**	**Date of grant**	**Exercise price ($)**	**Expiry date**
Edward Margerrison, President and Chief Executive Officer	Share options	625,000 (625,000 Class A Common Shares) (4.4% on a fully diluted basis)	November 25, 2015	$0.20	November 25, 2020
Laurence Terrisse-Rulleau, Director	Share options	100,000 (100,000 Class A Common Shares) (0.7% on a fully diluted basis)	June 30, 2015	$0.10	June 30, 2020

Compensation Discussion and Analysis

The Corporation's compensation policies and programs will be designed to recognize and reward executive performance consistent with the success of the Corporation's business. These policies and programs will be intended to attract and retain capable and experienced people. The Board's role and philosophy will be to ensure that the Corporation's compensation goals and objectives, as applied to the actual compensation paid to the Corporation's CEO and other executive officers, are aligned with the Corporation's overall business objectives and with shareholder interests.

The Board will consider a variety of factors when determining both compensation policies and programs and individual compensation levels. These factors include the long-range interests of the Corporation and its shareholders, overall financial and operating performance of the Corporation and the Board's assessment of each executive's individual performance and contribution toward meeting corporate objectives.

The Board will assume responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Corporation. The Board will determine the type and amount of compensation for the executive officers. The Board also reviews the compensation of the Corporation's senior executives and reviews the strategic objectives of the Corporation's share option plan and sets stock based compensation, and considers any other matters which in its judgment should be taken into account in reaching conclusions concerning the compensation levels of the Corporation's executive officers.

Philosophy and Objectives

The compensation program for the Corporation's senior management will be designed to ensure that the level and form of compensation achieves certain objectives, including:

a) attracting and retaining talented, qualified and effective executives;

b) motivating the short and long-term performance of these executives; and

c) better aligning their interests with those of the Corporation's shareholders.

Elements of the Compensation Program

In compensating its senior management, the Corporation intends to employ a combination of base salary and equity participation through its Share Option Plan.

Base Salary

In the Board's view, paying base salaries competitive in the markets in which the Corporation operates, is a first step to attracting and retaining talented, qualified and effective executives.

Equity Participation

The Corporation believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation will be accomplished through the Corporation's share option plan. Share options will be granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and competitive factors. The amounts and terms of options granted will be determined by the Board.

Given the evolving nature of the Corporation's business, the Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

Option-Based Awards

The Corporation has a Share Option Plan in place which was established to provide incentive to qualified parties to increase their proprietary interest in the Corporation and thereby encourage their continuing association with the Corporation. The Board expects that management will propose share option grants based on such criteria as performance, previous grants, and hiring incentives. All grants require approval of the Board. The share option plan will be administered by the Board and provides that options will be issued to directors, officers, employees or consultants of the Corporation or a subsidiary of the Corporation. See "Options to Purchase Securities" for further information on the Corporation's Share Option Plan.

Compensation of Directors

No compensation is currently being paid to our directors. Each director is entitled to participate in any security-based compensation arrangement or other plan adopted by us from time to time with the approval of our Board. The directors will be reimbursed for expenses incurred on our behalf. See "Options to Purchase Securities – Share Option Plan" for further details on the Share Option Plan. No additional fees, including meeting fees, will be paid to directors. Director compensation will be subject to review by the Board and possible change on an annual basis. The Board will consider the Corporation's financial situation, industry standards and practices of comparable issuers.

Employment Contracts and Termination of Employment, Changes in Responsibility

There are currently no employment contracts or arrangements with any of our directors pursuant to which a payment or other benefit is to be made or given by way of compensation in the event of that director's resignation, retirement or other termination of office.

We have entered into an employment agreement with our President and Chief Executive Officer, Edward Margerrison, effective November 26, 2015 (the "**Employment Agreement**"). Pursuant to the Employment Agreement, Mr. Margerrison is employed on a full-time basis to provide the services normally associated with the position of President and Chief Executive Officer. Mr. Margerrison is based in Austin, Texas, USA, and reports directly to the Board. He receives an annual salary of USD$210,000 and is eligible to receive a yearly bonus based on performance, as determined by the Board. Under the Employment Agreement, Mr. Margerrison is subject to non-compete and non-solicit obligations for a period of two (2) years from the termination of his employment with the Corporation. The term of the Employment Agreement is indefinite and does not contain any change of control, severance, termination or constructive dismissal provisions.

We expect to enter into employment agreements with our other executive officers at or after the Partial Spin-Off. The terms of those agreements have not been settled; however, we expect that generally the agreements will provide for compensation of a mix of salary and share options, as well as for payment or benefit in the event of termination of employment, change of control of the Corporation and change in the officer's responsibilities after a change of control of the Corporation. All such employment agreements will be reviewed and approved by the independent members of the Board prior to execution by the Corporation.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No person who is, or who was since the incorporation of the Corporation, a director, executive officer, employee or any former director, executive officer or employee of the Corporation, and no associate of such persons is, or was as of the date of this Prospectus, indebted to the Corporation or indebted to any other entity where such indebtedness is subject to a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

APPOINTMENT OF AUDITORS AND AUDITORS' REMUNERATION

The Audit Committee is directly responsible for the appointment (subject to shareholder ratification), compensation and oversight of the independent auditor of the Corporation, who reports directly to the Audit Committee. MNP LLP is the auditor of the Corporation since their appointment on August 31, 2015.

AUDIT COMMITTEE

(a) Audit Committee Charter

The Corporation's Board of Directors and Audit Committee have adopted an audit committee charter in accordance with National Instrument 52-110- *Audit Committees* ("**NI 52-110**"). The Corporation's audit committee charter is attached to this Prospectus as Schedule A.

(b) Composition of the Audit Committee

The members of the audit committee are Steven Saviuk, Thomas Martinuzzo and Laurence Rulleau. Mr. Martinuzzo and Ms. Rulleau are considered to be "independent" within the meaning of NI 52-110. Each member of the committee is financially literate within the meaning of NI 52-110 - *Audit Committees*.

Steven Saviuk has extensive experience in analyzing financial statements as director and officer of various public companies, namely Manitex Capital Inc.; Thomas Martinuzzo has extensive experience in analyzing financial statements as Senior Manager Business Development at *Gestion Univalor*; and Laurence Rulleau gained extensive experience in analyzing financial statements during her term with *Gestion Univalor* and also in her present employment with CTI. They are able to assess the general application of the accounting principles in connection with the preparation of financial statements and the

accounting for estimates, accruals and reserves as well as having an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial period was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. However, the Charter of the Audit Committee provides that the provision of any non-audit services must first be considered by the Audit Committee.

(c) Fees paid to External Auditor

The table below sets out the fees incurred by the Corporation for the the period since incorporation (February 5, 2015) to January 31, 2016:

	For the period between incorporation (February 5, 2015) to January 31, 2016
Audit Fees [(1)]	$57,700
Tax Fees [(2)]	$6,800
All other fees [(3)]	$6,800
Total	**$71,300**

(1) Aggregate fees billed by the Corporation's external auditor for audit services.

(2) Aggregate fees billed by the Corporation's external auditor for professional services rendered for tax compliance, tax advice and tax planning.

(3) Aggregate fees billed by the Corporation's external auditor and not included above.

(d) Reliance on Exemption

The Corporation is relying on the exemption contained in Section 6.1 of NI 52-110 that provides that the Corporation, as a venture issuer, is not required to comply with Part 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with day-to-day management of the Company.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**") the Company is required to disclose its corporate governance practices, as summarized below. The Board

of Directors will monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines to be used by issuers in developing their own corporate governance practices. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

Board of Directors

A Director is "independent" if the Board determines that the Director is not a member of management of the Corporation (including its subsidiaries and affiliates) and is free from any interest and any business, family or other relationships which could interfere with the Directors' independent judgement. The Board has determined that Laurence Rulleau and Thomas Martinuzzo are "independent". There are three "non-independent" Directors, namely Steven Saviuk, Executive Chairman of the Board of the Corporation, Michael Buschman, Chief Scientific Officer and Caroline Hoemann.

The Board has the right and may meet in the absence of the CEO, if a conflict of interest arises or where otherwise appropriate.

The Board will permit individual directors, under appropriate circumstances, to engage external advisors and consultants at the Corporation's expense.

Directorships

Steven Saviuk is a director and President and Chief Executive Officer of Manitex Capital Inc., which is listed on the TSX Venture Exchange. Helen Saviuk is a director and Chief Financial Officer of Manitex Capital Inc.

Orientation and Continuing Education

The Board is responsible for overseeing the orientation and the education of new directors and continuing education for existing Board members. New directors meet with the Corporation's CEO to discuss the Corporation's expectations of its directors and to discuss the Corporation's business and strategic plans.

Ethical Business Conduct

The Board assumes stewardship responsibilities with a view to enhancing shareholder value. The Board will be responsible for monitoring the Corporation's strategic goals and objectives and to review and approve management's strategic and operational plans to ensure that they are consistent with the identified strategic goals and objectives.

Directors shall disclose all actual or potential conflicts of interest and refrain from voting on matters in which the Director has a conflict of interest.

Nomination of Directors

Due to its relatively small size, the Board as a whole deals with the responsibility of, and determining the process for, proposing new nominees to the Board and assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors. The Board has determined that its independence is not compromised by having the Board, as a whole, deal with these issues. The Corporation has adopted a majority voting policy for directors that are presented as candidates at the annual shareholders meeting.

Compensation

The Board reviews the adequacy and form of compensation of the directors to ensure that the compensation reflects the responsibilities and risks involved in being an effective director.

Board Committees

The Board has one committee: the Audit Committee. The Audit Committee is composed of Directors. The role and responsibilities of the Audit Committee are set out in a formal written Charter.

Assessment of Directors

The Board assesses, on an annual basis, its contribution as a whole, and that of any committees of the Board and each of the directors, in order to determine whether each is functioning effectively.

Other Board Committees

Other than as disclosed herein, there are no committees of the Board of Directors as of the date of this Prospectus.

Assessments

Neither the Company nor the Board of Directors has developed a formal review system to assess the performance of the directors or the Board of Directors as a whole. The contributions of individual directors are monitored by other members of the Board of Directors on an informal basis through observation.

PLAN OF DISTRIBUTION

As at the date of the Prospectus, Ortho RTI does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside of Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc). However the Corporation has applied to list the Shares on the CSE. Listing will be subject to the Corporation fulfilling all of the listing requirements of the stock exchange.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes the principal Canadian federal income tax consequences with respect to the receipt, holding and disposition of the Shares to a Shareholder who as beneficial owner, receives the Shares pursuant to the Partial Spin-Off and who, at all relevant times, for the purposes of the *Income Tax Act* (Canada) and the *Income Tax Regulations* (collectively, the "**Tax Act**"), (i) deals at arm's length with the Corporation and Manitex, (ii) is not affiliated with the Corporation and Manitex and (iii) holds the Shares as capital property (a "**Holder**"). Generally, the Shares will be capital property to a Holder provided the Holder does not acquire or hold those Shares in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is based on the current provisions of the Tax Act, and an understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**") published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policy or assessing practice whether by legislative, administrative or judicial action or decision, nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary is not applicable to a Holder: (i) that is a "specified financial institution", (ii) an interest in which is or whose shares are a "tax shelter investment", (iii) that is, for purposes of certain rules (referred to as the mark-to-market rules) applicable to securities held by financial institutions, a "financial institution", (iv) that reports its "Canadian tax results" in a currency other than Canadian currency, (v) that has or will enter into a "derivative forward agreement", or (vi) who has acquired Manitex Shares on the exercise of an employee stock option, each as defined in the Tax Act. Such Holders should consult their own tax advisors.

This summary is of a general nature only and is not, and is not intended to be, legal or tax advice to any particular Holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, Holders should consult their own tax advisors having regard to their own particular circumstances.

Holders Resident in Canada

This section of the summary is applicable to a Holder who, at all relevant times is resident or is deemed to be resident in Canada under the Tax Act ("**Resident Holders**"). Certain Resident Holders may be entitled to make or may have already made the irrevocable election permitted by subsection 39(4) of the Tax Act the effect of which may be to deem any Shares (and all other "Canadian securities", as defined in the Tax Act) owned by such Resident Holder to be capital property in the taxation year in which the election is made and in all subsequent taxation years. Resident Holders whose Shares might not otherwise be considered to be capital property should consult their own tax advisors concerning this election.

Spin-Off

Resident Holders who received the Shares pursuant to the Partial Spin-Off will be considered to have received a taxable dividend equal to the aggregate fair market value of the Shares so received. The adjusted cost base to a Resident Holder of the Shares received upon the Partial Spin-Off will be equal to the respective fair market value of the Shares so received. In computing the adjusted cost base of the Shares at any time, the adjusted cost base of a Resident Holder's Shares will be averaged with the respective adjusted cost base of all of the Shares, if any, held by the Resident Holder as capital property at that particular time.

For the purpose of determining the adjusted cost base of the Shares, Resident Holders will be made aware of Manitex's calculation of the fair market value of the Shares distributed to the Resident Holders following the closing of the Partial Spin-Off. Had the spinoff been completed on the date of this Prospectus, Manitex believes that the fair market value of the Shares distributed to Resident Holders would have been approximately $0.50 per tranche of 10 Manitex Shares outstanding on that date. The value could fluctuate subsequent to the abovementioned date. Any determination of the fair market value by Manitex of the Shares is not binding on the CRA or any of the Resident Holders.

The Dividend received by a Resident Holder who is an individual will be included in computing the Resident Holder's income subject to the gross-up and dividend tax credit rules normally applicable under the Tax Act to taxable dividends received from taxable Canadian corporations. The Dividend will be eligible for the enhanced gross-up and dividend tax credit if Manitex designates the Dividend as an "eligible dividend". There may be limitations on Manitex's ability to designate dividends as eligible dividends. Such Dividend received by an individual, or certain trusts, may give rise to alternative minimum tax under the Tax Act, depending on the individual's circumstances.

The Dividend received by a Resident Holder that is a corporation will be included in the corporation's income and will generally be deductible in computing its taxable income. Certain corporations, including "private corporations" or "subject corporations" (as these terms are defined in the Tax Act) may be liable to pay a refundable tax under Part IV of the Tax Act at the rate of 33⅓% on the dividend to the extent that the dividend is deductible in computing taxable income.

Subsection 55(2) of the Tax Act provides that where a corporate Resident Holder receives a dividend and said dividend is deductible in computing the corporate Resident Holder's income and is not subject to Part IV tax or is subject to Part IV tax that is refundable as part of the series of transactions that includes the receipt of the dividend, all or part of the dividend may in certain circumstances be treated as a capital gain from the disposition of a capital property the taxable portion of which must be included in computing the corporate Resident Holder's income for the year in which the dividend was received. Accordingly, corporate Resident Holders should consult their own tax advisors for specific advice with respect to the potential application of this provision.

Neither Manitex nor the Corporation has any obligation to distribute cash to pay any taxes owed by a Resident Holder as a result of the Dividend and neither Manitex nor the Corporation has any intention to do so. Accordingly, a Resident Holder may need to satisfy any Canadian federal income tax liability resulting from the receipt of the Shares with cash from such Resident Holder's own funds or by selling all or a portion of the Shares received.

A Resident Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" as defined in the Tax Act may be liable to pay an additional refundable tax on its "aggregate investment income", which is defined in the Tax Act to include dividends or deemed dividends that are not deductible in computing taxable income.

Acquisition and Disposition of the Shares

As noted above, the cost of the Shares receives pursuant to the Partial Spin-Off will be equal to the respective fair market value of the Shares at the time of the Partial Spin-Off. A disposition or deemed disposition

of the Shares by a Resident Holder will generally result in a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are exceeded by) the respective adjusted cost base to the Resident Holder of the Shares, as the case may be, immediately before the disposition.

In general, one-half of a capital gain realized by a Resident Holder must be included in computing such Resident Holder's income as a taxable capital gain. One-half of a capital loss must be deducted as an allowable capital loss against taxable capital gains realized in the year and any remainder may be deducted against taxable capital gains in any of the three years preceding the year or any year following the year to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition of a Share may be reduced by the amount of any dividends received or deemed to be received by the Resident Holder on such Shares to the extent and in the circumstances prescribed by the Tax Act. Similar rules may apply where a Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Such Resident Holders should consult their own advisors.

A Resident Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" as defined in the Tax Act may be liable to pay an additional refundable tax on its "aggregate investment income", which is defined in the Tax Act to include taxable capital gains, for the year.

Dividends on the Shares

Dividends on the Shares received by a Resident Holder who is an individual will be included in computing the Resident Holder's income subject to the gross-up and dividend tax credit rules normally applicable under the Tax Act to taxable dividends received from taxable Canadian corporations. The dividend will be eligible for the enhanced gross-up and dividend tax credit if the Corporation designates the dividend as an "eligible dividend". There may be limitations on the Corporation's ability to designate dividends as eligible dividends. Dividends received by an individual, or certain trusts, may give rise to alternative minimum tax under the Tax Act, depending on the individual's circumstances.

A dividend received by a Resident Holder that is a corporation will be included in the corporation's income and will generally be deductible in computing its taxable income. Certain corporations, including "private corporations" or "subject corporations" (as these terms are defined in the Tax Act) may be liable to pay a refundable tax under Part IV of the Tax Act at the rate of 33⅓% on the dividend to the extent that the dividend is deductible in computing taxable income.

Subsection 55(2) of the Tax Act provides that where a corporate Resident Holder receives a dividend and said dividend is deductible in computing the corporate Resident Holder's income and is not subject to Part IV tax or is subject to Part IV tax that is refundable as part of the series of transactions that includes the receipt of the dividend, all or part of the dividend may in certain circumstances be treated as a capital gain from the disposition of a capital property the taxable portion of which must be included in computing the corporate Resident Holder's income for the year in which the dividend was received. Accordingly, corporate Resident Holders should consult their own tax advisors for specific advice with respect to the potential application of this provision.

A Resident Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" as defined in the Tax Act may be liable to pay an additional refundable tax on its "aggregate investment income", which is defined in the Tax Act to include dividends or deemed dividends that are not deductible in computing taxable income.

Holders not Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for the purposes of the Tax Act, is not, and is not deemed to be, resident in Canada and does not use or hold the

Shares in a business carried on in Canada (a "**Non-Resident Holder**"). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer that carries on an insurance business in Canada and elsewhere.

Partial Spin-Off

Under the Partial Spin-Off, Non-Resident Holders will be considered to have received a taxable dividend equal to the fair market value of the Dividend distributed to them by Manitex on the date of the Partial Spin-Off. The dividend will be subject to Canadian federal withholding tax under Part XIII of the Tax Act at the rate of 25% of the amount of the dividend, subject to a possible reduction under the terms of an applicable income tax treaty or convention. An amount equal to the Canadian federal withholding tax obligation will be remitted to the CRA by Manitex in satisfaction of the withholding tax liabilities described above.

Dividends

Dividends paid or credited on the Shares or deemed to be paid or credited on the Shares to a Non-Resident Holder will be subject to Canadian withholding tax at the rate of 25%, subject to any reduction in the rate of withholding to which the Non-Resident Holder is entitled under any applicable income tax convention.

On a disposition of the Shares after the spin-off, a Non-Resident Holder will not be subject to tax under the Tax Act unless, at the time of disposition, the Shares are "taxable Canadian property" to the Non-Resident Holder. Generally, the Shares will not be "taxable Canadian property" to a Non-Resident Holder at a particular time unless at any time during the 60 month period immediately preceding that time: (A) the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm's length, or the Non-Resident Holder together with all such persons, owned 25% or more of the Shares which are listed on a designated stock exchange at that particular time; and (B) more than 50% of the fair market value of the Shares was derived directly or indirectly from one or any combination of: (i) real or immovable properties situated in Canada, (ii) "Canadian resource properties" (as defined in the Tax Act), (iii) "timber resource properties" (as defined in the Tax Act), and (iv) options in respect of, or interests in, property described in (i) to (iii). In certain circumstances set out in the Tax Act, the Shares of a particular Non-Resident Holder could be deemed to be "taxable Canadian property".

Generally, a Non-Resident Holder who realizes a capital gain on a disposition of the Shares which constitute "taxable Canadian property" of the Non-Resident Holder and which is not exempt from tax under an applicable income tax treaty or convention will be subject to the tax treatment described above under the heading "Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada - Acquisition and Disposition of Shares". Non-Resident Holders who will hold the Shares as "taxable Canadian property" should consult their own tax advisors.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS FOR U.S. HOLDERS

The following discussion describes the material U.S. federal income tax consequences to a U.S. holder (as defined below) who receives Shares or cash in the Partial Spin-Off. The information provided below is based on the Internal Revenue Code of 1986, as amended ("Code"), Internal Revenue Service ("IRS") rulings and pronouncements, and judicial decisions all as now in effect and all of which are subject to change or differing interpretations, possibly with retroactive effect. This summary addresses only U.S. federal income tax considerations of U.S. holders that hold Manitex Shares and Shares (if any) as capital assets. It does not provide a complete analysis of all potential tax considerations. In particular, this summary does not address all the tax considerations that may be relevant to holders subject to special rules, such as:

- certain financial institutions;
- insurance companies;
- dealers or traders in securities;

- persons that hold Manitex Shares or Shares as part of a hedging or conversion transaction or as a position in a straddle or other integrated transaction for U.S. federal income tax purposes;

- persons that have a functional currency other than the U.S. dollar;

- persons that own (or are deemed to own) Manitex Shares or Shares representing 10% or more of Manitex's or the Corporation's voting shares;

- regulated investment companies, real estate investment trusts;

- tax-exempt entities;

- persons who hold Shares through partnerships or other pass-through entities;

- certain former citizens or residents of the United States under Section 877 or Section 877A of the Code; or

- persons holding Manitex Shares or Shares in connection with a trade or business conducted outside of the United States.

Further, the summary does not describe the effect of the U.S. federal alternative minimum, estate and gift tax laws on U.S. holders or the effects of any applicable state, local, or non-U.S. laws.

For purposes of this summary, a “U.S. holder” is a beneficial owner of Manitex Shares or Shares that for U.S. federal income tax purposes, is (1) an individual who is a citizen or resident of the United States; (2) a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, any state thereof or the District of Columbia; (3) an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or (4) a trust, if it (i) is subject to the primary supervision of a U.S. court and the control of one or more U.S. persons or (ii) has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person.

If a partnership (including an entity or arrangement, U.S. or non-U.S., treated as a partnership for U.S. federal income tax purposes) holds Manitex Shares or Shares, the tax treatment of a partner in the partnership will depend upon the status of the partner and the activities of the partnership. A holder of Manitex Shares or Shares that is a partnership, and partners in such partnership, should consult their own tax advisors about the U.S. federal income tax consequences of the Partial Spin-Off.

Partial Spin-Off

Manitex does not believe that it is, or has been, a passive foreign investment company ("PFIC"). The remainder of this U.S. tax discussion therefore assumes that Manitex is not a PFIC. Accordingly, a U.S. holder that receives cash or Ortho RTI shares as a result of the Dividend generally will be treated as receiving a dividend includible in the U.S. holder's gross income as ordinary income to the extent of Manitex's current or accumulated earnings and profits, as determined for U.S. federal income tax purposes. To the extent that the amount of such distribution exceeds Manitex's current and accumulated earnings and profits as so computed, it will be treated first as a non-taxable return of capital to the extent of such U.S. holder’s adjusted tax basis in its Manitex shares, and to the extent the amount of such distribution exceeds such adjusted tax basis, will be treated as gain from the sale of the Manitex shares. If you are a non-corporate U.S. holder, dividends paid to you that constitute qualified dividend income will be taxable to you at a reduced maximum U.S. federal income rate of 20% (rather than the higher rates of tax generally applicable to items of ordinary income, the maximum of which is 39.6%) provided that you hold our Shares for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date and meet other holding period requirements. Because we do not compute our earnings and profits under U.S. tax principles, we intend to treat the full amount of cash (for those U.S. holders receiving cash) or the fair market value of the Shares received (for those U.S. holders receiving Shares) as a dividend for U.S. tax purposes. U.S. holders should consult their tax advisors to determine whether any

portion of the cash or Shares received should be treated as a tax-free return of basis or as gain to the extent the distribution exceeds basis.

You must include any Canadian tax withheld on the Dividend. To the extent the Dividend is treated as a dividend for U.S. tax purposes, it generally will constitute income from sources outside the United States and will generally not be eligible for the dividends-received deduction generally available to corporate U.S. holders. Because the cash value of the Dividend will be paid in Canadian dollars, the gross amount of the Dividend to be included in the gross income of a U.S. holder is an amount equal to the U.S. dollar value of the payment in Canadian dollars calculated by reference to the exchange rate in effect on the date the dividend distribution is includable in the U.S. holder's income, regardless of whether the payment is in fact converted into U.S. dollars. If the Canadian dollars are converted into U.S. dollars on the date of receipt by the U.S. holder, a U.S. holder generally should not be required to recognize non-U.S. currency gain or loss in respect of the dividend. If the Canadian dollars received are not converted into U.S. dollars on the date of receipt, a U.S. holder will have a basis in the Canadian dollars equal to its U.S. dollar value on the date of receipt. Any gain or loss on a subsequent conversion or other disposition of the Canadian dollars will be treated as ordinary income or loss, and will generally be income or loss from sources within the United States for foreign tax credit limitation purposes.

Subject to applicable limitations that may vary depending upon a U.S. holder's circumstances, a U.S. holder will be entitled to a credit against its U.S. federal income tax liability for any Canadian withholding taxes withheld on the Dividend. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income, such as "passive" or "general" income. In addition, the amount of the qualified dividend income, if any, paid to a U.S. holder that is subject to the reduced dividend income tax rate and that is taken into account for purposes of calculating the U.S. holder's U.S. foreign tax credit limitation must be reduced by the rate differential portion of the dividend. The rules governing foreign tax credits are complex. U.S. holders should consult their own tax advisors regarding the availability of foreign tax credits in their particular situation, especially if some or all of the Dividend is treated as gain for U.S. tax purposes. In lieu of claiming a foreign tax credit, U.S. holders may elect to deduct all non-U.S. taxes paid or accrued in a taxable year in computing their taxable income, subject to generally applicable limitations under U.S. federal income tax law.

Distributions on the Shares

Except as provided in "—PFIC Rules" discussed below, distributions on the Shares generally will be taxed as discussed above in "—Partial Spin-Off." If the Corporation is a PFIC (as discussed below under "—PFIC Rules"), distributions paid by us with respect to Shares will not be eligible for the preferential income tax rate. U.S. holders should consult their own tax advisors regarding the taxation of distributions under these rules.

Sale or Other Disposition of the Shares

Subject to the discussion below under "— PFIC Rules," a U.S. holder will generally recognize gain or loss for U.S. federal income tax purposes upon the sale or other disposition of Shares in an amount equal to the difference between the U.S. dollar value of the amount realized from such sale or other disposition and the U.S. holder's tax basis in such Shares. Such gain or loss generally will be capital gain or loss. Capital gain of a non-corporate U.S. holder recognized on the sale or other disposition of Shares held for more than one year is generally eligible for a reduced maximum U.S. federal income tax rate of 20%. The gain or loss will generally be income or loss from sources within the United States for foreign tax credit limitation purposes. The deductibility of capital losses is subject to limitations.

A U.S. holder that receives non-U.S. currency on the sale or other disposition of Shares will realize an amount equal to the U.S. dollar value of the non-U.S. currency on the date of sale (or, in the case of cash basis and electing accrual basis taxpayers, the U.S. dollar value of the non-U.S. currency on the settlement date) provided that the Shares are treated as "traded on an established securities market." If a U.S. holder receives non-U.S. currency upon a sale or exchange of Shares, gain or loss, if any, recognized on the subsequent sale, conversion or disposition of such non-U.S. currency will be ordinary income or loss, and will generally be income or loss from sources within the United States for foreign tax credit limitation purposes. However, if such non-

U.S. currency is converted into U.S. dollars on the date received by the U.S. holder, a cash basis or electing accrual U.S. holder should not recognize any gain or loss on such conversion.

PFIC Rules

Special adverse U.S. federal income tax rules apply to U.S. holders owning shares of a PFIC. In general, if you are a U.S. holder, the Corporation will be a PFIC with respect to you if for any taxable year in which you held Shares: (i) at least 75% of our gross income for the taxable year is passive income or (ii) at least 50% of the value, determined on the basis of a quarterly average, of our assets is attributable to assets that produce or are held for the production of passive income. The determination of whether the Corporation is a PFIC will be made annually. Accordingly, it is possible that the Corporation may become a PFIC in the current or any future taxable year due to changes in its asset or income composition.

Passive income generally includes dividends, interest, royalties, rents (other than certain rents and royalties derived in the active conduct of a trade or business), annuities and gains from the disposition of assets that produce passive income. Any cash the Corporation holds generally will be treated as held for the production of passive income for the purpose of the PFIC test, and any income generated from cash or other liquid assets generally will be treated as passive income for such purpose. If a non-U.S. corporation owns at least 25% by value of the shares of another corporation, the non-U.S. corporation is treated for purposes of the PFIC tests as owning its proportionate share of the assets of the other corporation, and as receiving directly its proportionate share of the other corporation's income. Although the Corporation does not believe that it is currently a PFIC, the determination of PFIC status is highly factual and based on technical rules that are difficult to apply. Accordingly, there can be no assurances that the Corporation will not be a PFIC for the current year or any future taxable year.

If the Corporation were to be treated as a PFIC, except as otherwise provided by election regimes described below, a U.S. holder would be subject to special adverse tax rules with respect to (i) "excess distributions" received on Shares and (ii) any gain recognized upon a sale or other disposition (including a pledge) of Shares. A U.S. holder would be treated as if it had realized such gain and certain "excess distributions" ratably over its holding period for Shares. The amounts allocated to the current taxable year and to any taxable year in the holding period prior to the first taxable year in which the Corporation were a PFIC would be taxed as ordinary income. The amounts allocated to any other taxable year would be taxed at the highest tax rate in effect for each such year to which the gain was allocated, together with an interest charge in respect of the tax attributable to each such year. Special rules apply for calculating the amount of the foreign tax credit with respect to "excess distributions" by a PFIC.

Dividends that a U.S. holder receives from the Shares will not be eligible for the special tax rates applicable to qualified dividend income if the Corporation is treated as a PFIC either in the taxable year of the distribution or the preceding taxable year, but instead will be taxable at rates applicable to ordinary income, or if an excess distribution treated as discussed above.

If a U.S. holder owns shares in a PFIC that are treated as "marketable stock," the U.S. holder may make a mark-to-market election. If a U.S. holder makes this election, the U.S. holder will not be subject to all of the PFIC rules described above. Instead, in general, the U.S. holder will include as ordinary income the excess, if any, of the fair market value of its Shares at the end of the taxable year over the U.S. holder's adjusted basis in its Shares. Similarly, any gain realized on the sale, exchange or other disposition of the Shares will be treated as ordinary income, and will not be eligible for the favorable tax rates applicable to qualified dividend income or long-term capital gains. The U.S. holder will also be allowed to take an ordinary loss in respect of the excess, if any, of the adjusted basis of its Shares over the fair market value at the end of the taxable year (but only to the extent of the net amount of previously included income as a result of the mark-to-market election). A U.S. holder's basis in the Shares will be adjusted to reflect any such income or loss amount.

A U.S. holder may in certain circumstances also mitigate adverse tax consequences of the PFIC rules by filing an election to treat the PFIC as a qualified electing fund ("QEF"), if the PFIC complies with certain

reporting requirements. However, in the event that the Corporation is or becomes a PFIC, it does not intend to comply with such reporting requirements necessary to permit U.S. holders to elect to treat us as a QEF.

U.S. holders should consult their own tax advisors regarding the application of the PFIC rules to their investment in the shares and the elections discussed above.

Tax on Net Investment Income

Certain U.S. holders who are individuals, estate and trusts will be required to pay an additional 3.8% tax on some or all of their "net investment income," which generally includes their dividend income (including qualified dividend income) and net gains from the disposition of shares. U.S. holders should consult their own tax advisors regarding the applicability of this additional tax on their particular situation.

Backup Withholding and Information Reporting

Backup withholding and information reporting requirements will generally apply to certain payments to U.S. holders. We, our agent, a broker or any paying agent, may be required to withhold tax from any payment that is subject to backup withholding unless the U.S. holder (1) is an exempt payee, or (2) provides the U.S. holder's correct taxpayer identification number and complies with applicable certification requirements. Payments made to U.S. holders by a broker upon a sale of Shares will generally be subject to backup withholding and information reporting. If the sale is made through a non-U.S. office of a non-U.S. broker, however, the sale will generally not be subject to either backup withholding or information reporting. This exception may not apply if the non-U.S. broker is owned or controlled by U.S. persons, or is engaged in a U.S. trade or business.

Backup withholding is not an additional tax. Any amounts withheld from a payment to a U.S. holder under the backup withholding rules can be credited against any U.S. federal income tax liability of the U.S. holder, provided the required information is timely furnished to the IRS. A U.S. holder generally may obtain a refund of any amounts withheld under the backup withholding rules that exceeds the U.S. holder's income tax liability by filing a refund claim with the IRS. Prospective investors should consult their own tax advisors as to their qualification and procedure for exemption from backup withholding.

Certain specified individuals and, to the extent provided by future guidance, certain U.S. entities, who, at any time during the taxable year, hold interests in specified foreign financial assets that are not held in an account maintained by a financial institution and that have an aggregate value in excess of applicable reporting thresholds (which depend on the individual's filing status and tax home, and begin at a low of more than $50,000 on the last day of the taxable year or more than $75,000 at any time during the taxable year) are required to attach a disclosure statement on Form 8938 (Statement of Specified Foreign Financial Assets) to their U.S. federal income tax return. No Form 8938 is required to be filed by a specified person who is not required to file a U.S. federal income tax return for the taxable year. U.S. holders are urged to consult their own tax adviser regarding these reporting requirements.

LISTING APPLICATION

As of the date of this Prospectus, the Corporation does not have any of its securities listed or quoted and has not applied to list or quote any of its securities on the Toronto Stock Exchange, a U.S. marketplace, or a market place outside Canada and the United States. See "Risk Factors". The Corporation has applied to list the Shares on the CSE. Listing will be subject to the Corporation fulfilling all of the listing requirements of the CSE including the Company meeting certain financial and other requirements.

RISK FACTORS

Your holding of Shares involves a number of risks. Readers should carefully consider the risks and uncertainties described below, together with all of the other information included in this Prospectus. If any of the following risks actually occurs, the Corporation's business, financial position or results of operations could be

materially adversely affected. In such an event, the value of the Shares could decline. Additional risks and uncertainties that we do not presently know about or that we currently believe to be immaterial may also adversely impact our business, financial condition, results of operation or the value of your Shares.

Limited Operating History

The Corporation is a clinical-stage regenerative medicine company, formed in 2015, with a limited operating history. Since inception we have devoted substantially all of our resources to the development of our regenerative medicine platform, the clinical and preclinical advancement of our product candidates, the creation, licensing and protection of related intellectual property rights and the provision of general and administrative support for these operations. We have not yet obtained regulatory approval for any product candidates in any jurisdiction or generated any revenues from product sales. If any of our future product candidates fails in clinical trials or preclinical development, or does not gain regulatory approval, or if our product candidates following regulatory approval, if any, do not achieve market acceptance, we may never become profitable or sustain profitability.

No History of Earnings

We have incurred net losses since our inception and we expect to continue to incur substantial losses for the next several years, and we expect these losses to increase as we continue our development of and seek regulatory approval for our future product candidates. In addition, if we receive regulatory approval to market any of our future product candidates, we will incur additional losses as we scale our manufacturing operations and build an internal sales and marketing organization to commercialize any approved products. In addition, we expect our expenditures to increase as we add infrastructure and personnel to support our operations as a public company. We anticipate that our net losses and accumulated deficit for the next several years will be significant as we conduct our planned operations.

Because of the numerous risks and uncertainties associated with regenerative medicine product development, we are unable to accurately predict the timing or amount of the development and clinical expenses or when, or if we will be able to achieve, or maintain, profitability. In addition, our expenses could increase if we are required by the FDA or comparable foreign regulatory authorities to perform preclinical or clinical studies or trials in addition to those currently expected, or if there are any delays in completing the technology transfer and manufacturing location transition of our raw material manufacturing process or completing our clinical trials or the development of our future product candidates. The amount of our future net losses will depend, in part, on the amount and timing of our expenses, our ability to generate revenue and our ability to raise additional capital. These net losses have had, and will continue to have, an adverse effect on our stockholders' equity and working capital.

Negative Cash Flow

We have negative cash flow from operating activities. We anticipate that we will continue to have negative cash flow until such time that commercial production is achieved with a product candidate. To the extent that the Corporation has negative operating cash flows in future periods in excess of the amounts disclosed above in the use of proceeds, it may need to deploy a portion of its existing working capital to fund such negative cash flow.

Ability to Raise Additional Funds

Developing regenerative medicine products, including conducting preclinical studies and clinical trials, is expensive. We will require substantial additional capital in order to complete the clinical development of, create additional manufacturing capacity and to commercialize and to conduct the research and development and clinical and regulatory activities necessary to bring our product candidates to market. If the FDA or comparable foreign regulatory authorities require that we perform additional preclinical studies or clinical trials at any point or expand or extend our current trials, our expenses would further increase beyond what we currently expect, and the anticipated timing of any future clinical development activities and potential regulatory approvals will likely be

delayed. Raising funds in the then-current economic environment may be difficult and additional funding may not be available on acceptable terms, or at all.

Development Risks

The clinical development, commercialization and marketing of regenerative medicine products are at an early-stage, substantially research-oriented, and financially speculative. To date, very few companies have been successful in their efforts to develop and commercialize regenerative medicine products. In general, regenerative medicine products may be susceptible to various risks, including undesirable and unintended side effects, unintended immune system responses, inadequate therapeutic efficacy, potentially prohibitive costs or other characteristics that may prevent or limit their approval or commercial use. Furthermore, the number of people who may use cell- or tissue-based regenerative medicine therapies is difficult to forecast with accuracy. Our future success is dependent on the establishment of a large global market for regenerative medicine products and our ability to capture a share of this market with our product candidates.

Our development efforts with our regenerative medicine platform are susceptible to the same risks of failure inherent in the development and commercialization of product candidates based on new technologies. The novel nature of regenerative medicine products creates significant challenges in the areas of product development and optimization, manufacturing, government regulation, third-party reimbursement and market acceptance.

Results of Early Clinical Trials

Regenerative medicine product development has inherent risk. We or any of our future development partners will be required to demonstrate through adequate and well-controlled clinical trials that our product candidates are effective, with a favorable benefit-risk profile, for use in their target indications before we can seek regulatory approvals for their commercial sale. Regenerative medicine product development is a long, expensive and uncertain process, and delay or failure can occur at any stage of development, including after commencement of any of our clinical trials. In addition, success in early clinical trials does not mean that later clinical trials will be successful because product candidates in later-stage clinical trials may fail to demonstrate sufficient safety or efficacy despite having progressed through initial clinical testing. Furthermore, our future trials will need to demonstrate sufficient safety and efficacy for approval by regulatory authorities in larger patient populations. Companies frequently suffer significant setbacks in advanced clinical trials, even after earlier clinical trials have shown

Product Liability

The use of our future product candidates in clinical trials and the sale of any products for which we obtain marketing approval exposes us to the risk of product liability claims. Product liability claims might be brought against us by participants in clinical trials, consumers, healthcare providers, pharmaceutical companies or others selling or otherwise coming into contact with our product candidates and any products for which we obtain marketing approval. There is a risk that our product candidates may induce adverse events, and that such adverse events may not be detected for a long period of time. If we cannot successfully defend against product liability claims, we could incur substantial liability and costs. In addition, regardless of merit or eventual outcome, product liability claims may result in:

- impairment of our business reputation;
- withdrawal of clinical trial participants;
- termination of clinical trial sites or entire trial programs;
- increased costs due to related litigation;
- distraction of management’s attention from our primary business;
- substantial monetary awards to patients or other claimants;

- the inability to commercialize our product candidates; and
- decreased demand for our product candidates, if approved for commercial sale. We carry product liability insurance that we believe is sufficient in light of our current clinical programs; however, we may not be able to maintain insurance coverage at a reasonable cost or in sufficient amounts to protect us against losses due to liability. If and when we obtain marketing approval for product candidates, we intend to expand our insurance coverage to include the sale of commercial products; however, we may be unable to obtain product liability insurance on commercially reasonable terms or in adequate amounts. On occasion, large judgments have been awarded in class action lawsuits based on regenerative medicine products or medical treatments that had unanticipated adverse effects. In addition, under some of our agreements with clinical trial sites, we are required to indemnify the sites and their personnel against product liability and other claims. A successful product liability claim or series of claims brought against us or any third parties whom we are required to indemnify could cause our stock price to decline and, if judgments exceed our insurance coverage, could adversely affect our results of operations and business.

Dependence on key personnel

Our success is dependent on certain key management personnel, primarily its executives, which is key to the existence and continuity of the Corporation. Furthermore, competition for qualified employees among biotechnology industry companies is intense, particularly with regard to sales staff, and the loss of key personnel or inability to attract and retain the additional highly skilled employees required for the expansion of activities could adversely affect the Corporation's business.

Competitive market for the Corporation's products and services

The medical device and biotechnology industries are highly competitive. Overall, most of our competitors in these industries are larger than the Corporation and might have greater financial and other resources, which could enable them to invest significant amounts of capital and other resources in their businesses, including expenditures for research and development. If one of our current or future competitors develops innovative proprietary products, some of the Corporation's products could be rendered obsolete.

Protection of intellectual property

Our commercial success depends in part on our ability to obtain and maintain patent protection and trade secret protection for our product candidates, proprietary technologies and their uses as well as our ability to operate without infringing upon the proprietary rights of others. There can be no assurance that our patent applications or those of our licensors will result in additional patents being issued or that issued patents will afford sufficient protection against competitors with similar technology, nor can there be any assurance that the patents issued will not be infringed, designed around, or invalidated by third parties. Even issued patents may later be found unenforceable or may be modified or revoked in proceedings instituted by third parties before various patent offices or in courts. The degree of future protection for our proprietary rights is uncertain. Only limited protection may be available and may not adequately protect our rights or permit us to gain or keep any competitive advantage. This failure to properly protect the intellectual property rights relating to these product candidates could have a material adverse effect on our financial condition and results of operations.

Filing, prosecuting and defending patents on product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside Canada can be less extensive than those in Canada. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as laws in Canada. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside Canada, or from selling or importing products made using our inventions in and into Canada or other jurisdictions. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and further, may export otherwise infringing products to territories where we have patent protection, but enforcement is not as strong as that in Canada. These products may compete with our product candidates and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

Regulation

In both domestic and foreign markets, the formulation, manufacturing, packaging, labelling, handling, distribution, import, export, licensing, sale and storage of the Corporation's products are affected by a body of laws, governmental regulations, administrative determinations, court decisions and similar constraints. Such laws, regulations and other constraints can exist at the federal, provincial or local levels in Canada and at all levels of government in foreign jurisdictions. There can be no assurance that the Corporation is in compliance with all of these laws, regulations and other constraints. Failure by the Corporation to comply with these laws, regulations and other constraints or new laws, regulations or constraints could lead to the imposition of significant penalties or claims and could negatively impact the Corporation's business. In addition, the adoption of new laws, regulations or other constraints or changes in the interpretations of such requirements might result in significant compliance costs or lead the Corporation to discontinue product sales and could have an adverse effect, resulting in significant loss of sales.

Requirements associated with being a Public Company

We will be subject to the reporting requirements of the Securities Laws and the other rules and regulations upon consummation of this offering. We are working with our legal, independent accounting and financial advisors to identify those areas in which changes should be made to our financial and management control systems to manage our growth and our obligations as a public reporting company. These areas include corporate governance, corporate control, disclosure controls and procedures, and financial reporting and accounting systems. We have made, and will continue to make, changes in these and other areas. Compliance with the various reporting and other requirements applicable to public reporting companies will require considerable time, attention of management and financial resources. In addition, the changes we make may not be sufficient to allow us to satisfy our obligations as a public reporting company on a timely basis.

Dilution

We will need to raise additional funding in order to complete the clinical development of, create additional manufacturing capacity and to commercialize products and to conduct the research and development and clinical and regulatory activities necessary to bring other product candidates to market. To the extent that we raise additional capital by issuing equity securities, the share ownership of existing stockholders will be diluted. Any future debt financing may involve covenants that restrict our operations, including limitations on our ability to incur liens or additional debt, pay dividends, redeem our stock, make certain investments, and engage in certain merger, consolidation, or asset sale transactions. In addition, if we seek funds through arrangements with collaborative partners, these arrangements may require us to relinquish rights to some of our technologies or product candidates or otherwise agree to terms unfavorable to us.

No Dividends

We have never paid cash dividends on any of our share capital, and we currently intend to retain future earnings, if any, to fund the development and growth of our business. Therefore, you are not likely to receive any dividends on our Shares for the foreseeable future or at all. Since we do not intend to pay dividends, your ability to receive a return on your investment will depend on any future appreciation in the market value of our common stock. There is no guarantee that our Shares will appreciate or even maintain the current price.

Effective Control

As of April 29, 2016, our executive officers, directors, holders of more than five percent of our Shares and their respective affiliates beneficially owned 73.89% of our outstanding share capital. Therefore, these shareholders will have the ability to influence us through their ownership position after this offering. These shareholders may be able to determine all matters requiring shareholder approval. For example, these shareholders may be able to control elections of directors, amendments of our organizational documents, or approval of any merger, sale of assets, or other major corporate transaction. This may prevent or discourage

unsolicited acquisition proposals or offers for our Shares that you may feel are in your best interest as one of our shareholders.

Conflicts of interest

There exists the possibility for certain of our directors and officers to be in a position of conflict since most of them also work for affiliates of the Corporation.

Risks of foreign exchange rate fluctuation

The Corporation is exposed to fluctuations of the Canadian dollar against certain other currencies because it publishes its financial statements in Canadian dollars, while a portion of its liabilities, revenues and costs could be denominated in other currencies. Exchange rates for currencies of the countries in which the Corporation operates may fluctuate in relation to the Canadian dollar, and such fluctuations may have a material adverse effect on our future earnings or assets when translating foreign currency into Canadian dollars. In general, the Corporation does not execute hedging transactions to reduce its exposure to foreign currency exchange rate risks. Accordingly, the Corporation may experience economic loss and a negative impact on earnings solely as a result of foreign exchange rate fluctuations, which include foreign currency devaluations against the Canadian dollar. The Corporation does not typically carry currency convertibility risk insurance.

No Market

There is currently no market through which the Shares may be sold and Shareholders may not be able to resell Shares received under this Prospectus. There can be no assurance that an active public market will develop in the future. The Corporation intends to apply to list or quote its Shares on a Canadian stock exchange. The acceptance by a stock exchange of any potential listing application for securities of the Corporation will be subject to the Corporation satisfying the applicable listing requirements of the exchange, including with respect to the capital structure, potential revenues, financial resources and assets of the Corporation.

Eligibility for investment

Considering that the Shares of the Corporation are not currently listed on a designated stock exchange, within the meaning of the Tax Act, the Shares may not be qualified investment under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, deferred profit sharing plans, registered disability savings plans and tax free savings accounts. Any trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, deferred profit sharing plans, registered disability savings plans and tax free savings accounts shall consult with their own tax advisors for specific advice with respect to the receipt and holding of the Shares pursuant to the Partial Spin-Off.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Corporation currently has no material legal proceedings and regulatory actions pending.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

To the knowledge of the Board of Directors, as of the date of this Prospectus, except as described under “Principal Shareholders” no person or Corporation beneficially owns, controls or directs, directly or indirectly, Shares carrying more than 10% of the voting rights attached to the Shares.

To the knowledge of the Board of Directors, as of the date of this Prospectus except for the agreements described under “Description of the Business” and for the other relationships described in this Prospectus, no director nor officer and no person or company beneficially owning, controlling or directing, directly or indirectly,

Shares carrying more than 10% of the voting rights attached to Shares, nor any associates or affiliates of the foregoing, has any material interest in any transactions involving the Corporation.

AUDITORS, TRANSFER AGENT AND REGISTRARS

The auditors of the Corporation are MNP LLP, Chartered Professional Accountants, 1155 Boulevard René-Lévesque O, Montréal, QC H3B 2J8.

At the date of the final Prospectus, the registrar and transfer agent of the Corporation will be Computershare Investor Services Inc., at its office in Montréal.

PROMOTER

Manitex has taken the initiative in founding and organizing the business of the Corporation and, accordingly, may be considered to be a promoter of the Corporation within the meaning of applicable securities legislation. In regards to the securities of the Corporation held by Manitex, refer to the information provided under “Principal Shareholders”.

MATERIAL CONTRACTS

The following are the only material contracts entered into in the ordinary course of business, which have been entered into by the Corporation since its inception or which are proposed to be entered into:

- Technology Assignment Agreement
- Amendment No.1 to the Technology Assignment Agreement, entered into as of November 20, 2015
- Amendment No.2 to the Technology Assignment Agreement, entered into as of January 31, 2016
- R & D Contracts
- Loan Agreement (the “**Loan Agreement**”) dated June 19, 2015 between Manitex Capital Inc. and Ortho RTI, with the intervention of Polyvalor
- Amendment No.1 to the Loan Agreement, entered into as at January 31, 2016
- Escrow Agreement
- Finder’s Fee Agreement dated March 7, 2016 between Ortho RTI and Canaccord Genuity Corp.

EXPERTS

The financial statements of the Corporation for the period from February 5, 2015 to January 31, 2016 included in this Prospectus are prepared in accordance with International Financial Reporting Standards and have been audited by MNP LLP, Chartered Professional Accountants, Montréal, Québec. The auditors’ report with respect to these financial statements is also included in this Prospectus. MNP, LLP is independent of the Corporation within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*.

OTHER MATERIAL FACTS

There are no material facts relating to the securities qualified for distribution that have not been disclosed in this Prospectus.

PURCHASERS’ STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in several of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. The right may be exercised within two (2) business days after receipt or deemed receipt of a prospectus and any amendment thereto. In several of the provinces and territories, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus and any amendment contain a misrepresentation or is not delivered to the purchaser, provided that remedies for rescission or damages are exercised by the purchaser within the time

limit prescribed by the securities legislation of his province or territory. The purchaser should refer to any applicable provisions of the securities legislation of his province or territory for the particulars of these rights or consult with a legal advisor.

EXEMPTIONS

The Corporation has not received any discretionary exemptions from any securities regulator or securities regulatory authority.

SCHEDULE A

ORTHO REGENERATIVE TECHNOLOGIES INC.

(the "Corporation")

AUDIT COMMITTEE CHARTER

PURPOSE

The Audit Committee is appointed by the Board to assist in fulfilling its oversight responsibilities of the Corporation. In so doing, the Committee provides an avenue of communication among the independent auditors, management, and the Board. The Committee's primary duties and responsibilities are to gain reasonable assurance of the following:

- That the Corporation complies with the applicable laws, regulations, rules, policies and other requirements of governments, regulatory agencies and stock exchanges relating to financial reporting and disclosure;
- The independence and satisfactory performance of duties by the Corporation's independent auditors;
- That the accounting principles, significant judgments and disclosures that underlie or are incorporated in the Corporation's financial statements are the most appropriate in the prevailing circumstances;
- That the Corporation's quarterly and annual financial statements present fairly the Corporation's financial position and performance in accordance with generally accepted accounting principles; and
- That appropriate information concerning the financial position and performance of the Corporation is disseminated to the public in a timely manner.

COMPOSITION AND OPERATING PROCEDURES

Audit Committee members shall meet the requirements of the exchange upon which the Corporation is listed as well as all government regulatory bodies. The Committee shall be comprised of at least three Directors as determined by the Board, a majority of whom shall be independent non-executive Directors, free from any relationship that would interfere with the exercise of his independent judgment. All members of the Committee shall be financially literate.

The Committee members shall be appointed by the Board. The Board shall designate the Chairman of the Committee annually.

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. Quorum shall be a majority of the members.

The Committee, in consultation with management and the independent auditors, shall develop and participate in a process for review of important financial topics that have the potential to impact the Corporation's financial policies and disclosures.

The Committee shall annually review, discuss and assess its own performance. In addition, the Committee shall periodically review its role and responsibilities.

The Committee expects that, in discharging their responsibilities to the shareholders, the independent auditors shall be accountable to the Board through the Committee. The independent auditors shall report all material issues or potentially material issues to the Committee.

RESPONSIBILITIES AND DUTIES

A. Financial Accounting and Reporting Process

- Review the Corporation's annual audited financial statements and the accompanying Management Discussion and Analysis prior to filing or distribution, and report its findings for approval to the Board. Review should include discussion with management and independent auditors of significant issues regarding accounting principles, practices and judgments.

- Review the Corporation's quarterly unaudited financial statements and the accompanying Management Discussion and Analysis prior to filing or distribution, and report its findings for approval to the Board.

- Ensure that adequate procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's financial statements, and periodically assess the adequacy of those procedures.

- In consultation with management and the independent auditors, consider the integrity of the Corporation's financial reporting processes and controls. Review significant findings prepared by the independent auditors together with management's responses.

- Review with management and the independent auditors the appropriateness of the Corporation's accounting policies, disclosures, key estimates and judgments, including changes or alternatives thereto and to obtain reasonable assurance that they are in compliance with IFRS, and report thereon to the Board.

- Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

B. Independent Auditors

- The independent auditors are ultimately accountable to the Committee and the Board. The Committee shall review the independence and performance of the auditors and annually recommend to the Board the appointment of the independent auditors or approve any discharge of auditors when circumstances warrant.

- Assume direct responsibility for overseeing the work of the independent auditors engaged to prepare or issue an audit report or perform other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the independent auditors regarding financial reporting.

- Evaluate and recommend to the Board the independent auditors to be nominated to prepare or issue an audit report or perform other audit, review or attest services for the Corporation, and the compensation of the independent auditors.

- Pre-approve all non-audit services to be provided to the Corporation by its independent auditors.

- Consider the independent auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.

FINANCIAL STATEMENT DISCLOSURE

Audited Financial Statements - Period from Date of Incorporation (February 5, 2015) to January 31, 2016.

Ortho Regenerative Technologies Inc.

Financial Statements

Period from Date of Incorporation (February 5, 2015) to January 31, 2016

Ortho Regenerative Technologies Inc.

Contents

Period from Date of Incorporation (February 5, 2015) to January 31, 2016

MNP SENCRL srl / LLP

Independent Auditors' Report

To the Shareholders of Ortho Regenerative Technologies Inc.

We have audited the accompanying financial statements of Ortho Regenerative Technologies Inc., which comprise the statement of financial position as at January 31, 2016 and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the period from the Date of Incorporation of February 5, 2015 to January 31, 2016 and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements:

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of these financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion, the financial statements present fairly, in all material respects, the financial position of Ortho Regenerative Technologies Inc. as at January 31, 2016 and its financial performance and cash flows for the period from the Date of Incorporation of February 5, 2015 to January 31, 2016 in accordance with International Financial Reporting Standards.

Emphasis of Matter:

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates that the Corporation incurred a net loss of $927,880 during the period ended January 31, 2016 and, as of that date, the Corporation's current liabilities exceeded its current assets by $190,935. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Corporation's ability to continue as a going concern.

MNP SENCRL, srl [1]

Montréal, Québec
April 29, 2016

[1]CPA auditor, CA, public accountancy permit No. A122514

Ortho Regenerative Technologies Inc.
Statement of Financial Position
As at January 31, 2016

Assets	
Current	
Cash	**646,246**
Sales tax receivable	**30,168**
Prepaid expenses	**4,875**
Investment tax credits receivable	**225,915**
	907,204
Deferred share issue costs	**153,874**
Intangible assets *(Note 4)*	**725,192**
	879,066
Total assets	**1,786,270**
Liabilities	
Current	
Accounts payable and accrued liabilities *(Note 10)*	**858,139**
Operating loan *(Note 5)*	**240,000**
	1,098,139
Class A shares liability *(Note 6)*	**333,334**
	1,431,473
Shareholders' equity	
Common shares *(Note 6)*	**1,006,617**
Warrants *(Note 6)*	**130,000**
Contributed surplus *(Note 6)*	**146,060**
Deficit	**(927,880)**
	354,797
Total liabilities and shareholders' equity	**1,786,270**

Going Concern (Note 1); Related Party Transactions (Note 10); Commitments (Note 11); Subsequent Events (Note 12)

Approved on behalf of the Corporation's Board of Directors on April 29, 2016.

"Steve Saviuk" , Director

"Michael Buschmann" , Director

The notes are an integral part of these financial statements

General and Administrative Expenses	
Professional fees	**169,276**
Research costs	**143,252**
Office and administrative	**161,063**
Travel and promotion	**23,602**
Filing fees	**19,093**
Share based compensation *(Note 6)*	**146,060**
	662,346
Financial Expenses	
Interest and bank charges *(Note 5)*	**7,957**
Fair value adjustment on Class A shares liability	**257,577**
Net loss and comprehensive loss for the period	**927,880**

Ortho Regenerative Technologies Inc.
Statement of Changes in Shareholders' Equity
Period From Date of Incorporation (February 5, 2015) to January 31, 2016

	Number of shares	*Share capital*	*Warrants*	*Contributed surplus*	*Deficit*	*Total equity*
Balance February 5, 2015	**-**	**-**	**-**	**-**	**-**	**-**
Issuance of shares as equity *(Note 6)*	**12,966,666**	**1,020,617**	**-**	**-**	**-**	**1,020,617**
Share issue costs *(Note 6)*	**-**	**(14,000)**	**-**	**-**	**-**	**(14,000)**
Issuance of warrants *(Note 6)*	**-**	**-**	**130,000**	**-**	**-**	**130,000**
Share based compensation *(Note 6)*	**-**	**-**	**-**	**146,060**	**-**	**146,060**
Net loss for the period	**-**	**-**	**-**	**-**	**(927,880)**	**(927,880)**
As at January 31, 2016	**12,966,666**	**1,006,617**	**130,000**	**146,060**	**(927,880)**	**354,797**

The notes are an integral part of these financial statements

Ortho Regenerative Technologies Inc.
Statement of Cash Flows
Period From Date of Incorporation (February 5, 2015) to January 31, 2016

Operating activities:	
Net loss from operations	**(927,880)**
Add items not affecting cash:	
Share based compensation *(Note 6)*	**146,060**
Fair value adjustment on Class A shares liability	**257,577**
	403,637
Net change in non-cash operating working capital:	
Investment tax credit	**(52,068)**
Sales tax receivable and prepaid expenses	**(35,043)**
Accounts payable and accrued liabilities	**634,466**
Cash provided by operating activities	**23,112**
Investing activities:	
Acquisition of intangible assets *(Note 4)*	**(675,366)**
Financing activities:	
Increase in operating loan	**240,000**
Issuance of share capital as equity *(Note 6)*	**1,150,617**
Issuance of share capital as debt *(Note 6)*	**75,757**
Payment of share issue costs *(Note 6)*	**(14,000)**
Payment of deferred share issue costs	**(153,874)**
Cash provided from financing activities	**1,298,500**
Increase in cash	**646,246**
Cash, beginning of period	**-**
Cash, end of period	**646,246**
Supplementary cash flow information	
Change in accounts payable reflected in intangibles	**223,673**

The notes are an integral part of these financial statements

1. Presentation of Financial Statements

Description of the Business and Going Concern

Ortho Regenerative Technologies Inc. ("the Corporation") was incorporated under the *Canada Business Corporations Act* on February 5, 2015 and on September 17, 2015 articles of amendment were approved to change the authorized shares. The Corporation's head office, principal address and registered office is located at 16667 Hymus Blvd., Kirkland, Quebec, Canada.

The Corporation specializes in research on innovative medical devices which stimulate the regeneration of joint tissues.

These financial statements are prepared on the assumption that the Corporation is a going concern, which contemplates the realization of assets and the settlement of liabilities in the normal course of operations. The Corporation has yet to generate revenue and has relied upon the issuance of debt and equity instruments to fund operations. The Corporation believes their efforts to raise sufficient funds to support their activities will be successful, however, there is no assurance that funds will continue to be raised on acceptable terms, and as such a material uncertainty exists regarding the Corporation's ability to continue as a going concern.

Failure to obtain such additional financing could result in delay or indefinite postponement of the Corporation's strategic goals. These financial statements do not include any adjustments relative to the carrying values and classifications of assets and liabilities that would be necessary should the Corporation be unable to continue as a going concern.

2. Summary of Significant Accounting Policies

a) Basis of measurement

These financial statements have been prepared on a going-concern basis, under the historical cost convention, except for the revaluation of certain financial assets and financial liabilities to fair value.

b) Functional and presentation currency

These financial statements are presented in the Canadian dollar, which is also the functional currency of the Corporation.

Transactions denominated in foreign currencies are initially recorded in the functional currency of the related entity using the exchange rates in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the closing exchange rates. Any resulting exchange difference is recognized in income. Non-monetary assets and liabilities denominated in foreign currencies and measured at historical cost are translated using historical exchange rates, and those measured at fair value are translated using the exchange rate in effect at the date the fair value is determined. Revenues and expenses are translated using the average exchange rates for the period or the exchange rate at the date of the transaction for significant items.

	January 31, 2016
End of period exchange rate	1.3075

c) Statement of Compliance

These financial statements of the Corporation have been prepared for the period from date of incorporation of February 5, 2015 to January 31, 2016 in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). These financial statements have been prepared in accordance with those IFRS standards and IFRIC interpretations issued and effective or issued and early adopted as at the time of preparing these statements.

These financial statements were approved and authorized for issuance by the Board of Directors on April 29, 2016.

2. Summary of Significant Accounting Policies *(Continued from previous page)*

d) Financial instruments

All financial instruments are recognized when the Corporation becomes a party to the contractual provisions of the financial instrument and are initially measured at fair value for instruments not at fair value through profit or loss, plus any directly attributable transaction costs. Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. Financial instruments are classified into the following categories upon initial recognition:

- loans and receivables ("L&R")
- financial assets at fair value through profit or loss ("FVTPL")
- held to maturity investments
- other financial liabilities

The category determines subsequent measurement and whether any resulting income and expense is recognized in profit or loss or in other comprehensive income.

All financial assets, except for those at FVTPL, are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

Financial assets at FVTPL include financial assets that are either classified as held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. Assets in this category are measured at fair value with gains and losses recognized in profit or loss. Management evaluates the information about financial assets on a total return basis that includes evaluating the financial assets on a fair value basis. These assets include the investment in an exchange-traded equity security which is primarily held for investment income, cash flow and capital appreciation. These assets also include the investment in the equity of private companies. In the absence of significant over-the-counter market activity or significant share issuance near a reporting period, the Corporation establishes a fair value for these types of investments using valuation techniques that make maximum use of market inputs and rely as little as possible on entity-specific inputs.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortized cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial.

Loans and receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Impairment of receivables is recognized in profit or loss within general administrative expenses. If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss or a portion of such is reversed. The amount of the impairment loss reversed may not exceed the original impairment amount.

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as held-to-maturity if the Corporation has the intention and ability to hold them until maturity. Held to maturity investments are measured subsequently at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in profit or loss.

Other financial liabilities include liabilities that have not been classified as fair value through profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method.

A financial liability is derecognized when it is extinguished, discharged, cancelled or expires. Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Corporation has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2. Summary of Significant Accounting Policies *(Continued from previous page)*

d) Financial instruments *(Continued from previous page)*

Financial instruments that are measured at fair value use inputs, which are classified within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

Level 1 - Assets or liabilities whose values are based on quoted market prices in active markets include active exchange-traded equity investments.

Level 2 - Assets or liabilities that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs.

Level 3 - Inputs for the asset or liability that are not based on observable market data. The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input for fair value measurement purposes requires judgment in considering the relevant factors specific to the asset or liability. The determination of what constitutes 'observable' requires significant judgment by the Corporation. The Corporation considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

See Note 8 - Financial Instruments – for the details of their classification.

e) Investment tax credits

Investment tax credits are comprised of scientific research and experimental development tax credits and are recognized when there is reasonable assurance of their recovery and recorded as a reduction of the related expense or cost of the asset acquired, as applicable. Investment tax credits are subject to the customary approvals by the pertinent tax authorities. Adjustments required, if any, are reflected in the year when such assessments are received.

f) Deferred share issue costs

The Corporation defers the costs associated with the issuance of new equity when there is reasonable assurance that the planned offering will be completed. The costs are deferred until such time as the financing has closed and the proceeds from the offering are received, at which time the deferred expenses are recorded as a reduction of the proceeds**.**

g) Intangible assets

In the normal course of business as a biotech research and development company, the Corporation acquires intellectual property, incurs development costs and files for patents. These categories of intangible assets are recorded at cost on initial recognition. Development expenditures are capitalized when the Corporation can demonstrate that all of the specific criteria related to technical, market and financial feasibility are met. The specific criteria are as follows:

(a) the technical feasibility of completing the intangible asset so that it will be available for use or sale.
(b) its intention to complete the intangible asset and use or sell it.
(c) its ability to use or sell the intangible asset.
(d) how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
(e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
(f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Investment tax credits are netted against the expenditures made for development of the product.

Amortization of each category will be dependent on its useful life and each category will be assessed for impairment annually or whenever there is an indication of impairment. The amortization period and method is reviewed annually, with amortization being recognized in the statement of comprehensive loss. Losses arising from impairment are recorded in the statement of comprehensive loss, as are gains from de-recognition of previously recorded losses.

When a patent has been obtained, amortization will be recorded over the life of the patent. Intellectual property and development costs for a product will be amortized over the estimated life of the product when commercialization has occurred.

Research expenditures are charged to the statement of profit or loss in the year in which they are incurred.

2. Summary of Significant Accounting Policies *(Continued from previous page)*

h) Impairment of non-financial assets

The carrying amounts of the Corporation's non-financial assets are assessed at each reporting date to determine whether there is an indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Intangible assets not yet available for use are reviewed for impairment at least annually or more frequently if circumstances such as significant declines in expected sales, earnings or cash flows indicate that it is more likely than not that the asset might be impaired.

The recoverable amount of an asset or cash-generating unit (CGU) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Assets that cannot be tested individually are grouped into the smallest independent group of assets that generate cash inflows from continuing use. For the purposes of testing non-financial assets for impairment, management has identified one CGU since the Corporation operates as one segment.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive loss. Impairment losses recognized in respect of the CGU are allocated first to reduce the carrying amount of goodwill allocated to the units, and then to reduce the carrying amounts on a pro-rata basis of the other assets in the unit.

Impairment losses recognized in prior periods are assessed at each reporting date as to whether there are any indications that the previously recognized losses may no longer exist or may be decreased. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, had no impairment loss been recognized for the asset in prior years.

i) Income taxes

Income tax expense comprises current and deferred tax. Tax expense is recognized in the statement of profit or loss, except to the extent it relates to items recognized directly in shareholders' equity, in which case the related tax is recognized in shareholders' equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Corporation operates.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are recognized for the future income tax consequences of temporary differences between the carrying amounts of assets and liabilities and their respective tax bases, and for tax losses carried forward. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates that will be in effect for the year in which the differences are expected to reverse.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and unused tax losses can be utilized.

Deferred tax asset and liability differences are recognized directly in income, OCI or equity based on the classification of the item to which they relate.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off tax assets against tax liabilities and when they relate to income taxes levied by the same taxation authority and the Corporation intends to settle its tax assets and liabilities on a net basis.

j) Sales Tax

Revenues, expenses and assets are recognized net of the amount of sales tax except where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognized in the cost of acquisition of the asset or as part of the expense item, as applicable; and receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of other receivables or accounts payable and accrued liabilities in the statement of financial position.

2. Summary of Significant Accounting Policies *(Continued from previous page)*

k) Share Capital

The Corporation's share capital is classified as equity if it is non-redeemable, or redeemable only at the Corporation's option, and any dividends are discretionary. Dividends thereon are recognized as distributions within equity upon approval by the Corporation's Board of Directors. Share capital is classified as a liability if it is redeemable on a specific date or in the future, or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognized as interest expense in earnings as accrued.

Class A shares liability

Certain Class A shares have a put right associated to them allowing the shareholder to require that the Corporation redeem the shares if the Corporation has not gone public by June 19, 2022. As these shares include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset, they do not meet the criteria in IAS 32 *Financial Instruments: Presentation* for classification as equity and therefore are classified as FVTPL liability. The liability is re-measured to fair value at each reporting date with changes recorded in the statement of earnings.

l) Share based compensation

The Corporation grants stock options to directors, officers, employees and consultants. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is determined at the date of grant using the Black-Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Corporation's common stock and an expected life of the stock-based instruments. The number of awards expected to vest is reviewed at least annually, with any impact being recognized immediately to the statement of profit or loss with an offsetting credit to contributed surplus, except for options granted as consideration for share issuance costs, which are charged to share capital.

When stock options are exercised, capital stock is credited by the sum of the consideration paid, together with the related portion previously recorded to contributed surplus.

m) Earnings per share

Basic earnings or loss per share is calculated using the weighted average number of shares outstanding. Diluted earnings or loss per share is calculated using the treasury stock method. In order to determine diluted loss per share, the treasury stock method assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. The diluted earnings or loss per share calculation excludes any potential conversion of options and warrants that would increase earnings per share or decrease loss per share.

n) Future accounting pronouncements

The Corporation has not yet applied the following new standards, interpretations or amendments to standards that have been issued but are not yet effective. Unless otherwise stated, the Corporation does not plan to early adopt any of these new or amended standards and interpretations.

IFRS 9 Financial Instruments

The final version of IFRS 9, Financial instruments ("IFRS 9"), was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces a model for classification and measurement, a single, forward-looking expected loss impairment model and a substantially reformed approach to hedge accounting. The new single, principle-based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of an entity's own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9, which is to be applied retrospectively, is effective for annual periods beginning on or after January 1, 2018 and is available for early adoption. In addition, an entity's own credit risk changes can be applied early in isolation without otherwise changing the accounting for financial instruments. The Corporation is currently assessing the impact, if any, of adopting IFRS 9.

2. Summary of Significant Accounting Policies *(Continued from previous page)*

n) Future accounting pronouncements *(Continued from previous page)*

IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers. The objective of this new standard is to provide a single, comprehensive revenue recognition framework for all contracts with customers to improve comparability of financial statements of companies globally. This new standard contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. This new standard is effective for annual periods beginning on or after January 1, 2018. The Corporation is currently assessing the impact, if any, of adopting IFRS 15.

IAS 1 Presentation of Financial statements:

In December 2014, the IASB amended IAS 1, Presentation of Financial Statements, in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality considerations apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016. The Corporation is currently assessing the impact, if any, of adopting these amendments to IAS 1.

IFRS 16 Leases

In January 2016, IFRS 16 Leases ("IFRS 16") was issued, which replaces IAS 17 Leases, and related interpretations. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. For lessees, IFRS 16 removes the classification of leases as either operating or financing and requires that all leases be recognized on the statement of financial position, with certain exemptions that include leases of 12 months or less. The accounting for lessors is substantially unchanged. The standard is effective for annual periods beginning on or after January 1, 2019, to be applied retrospectively, or on a modified retrospective basis. The Corporation is currently assessing the impact of adopting this standard.

3. Use of Estimates and Judgements

The application of the Corporation's accounting policies requires management to use estimates and judgments that can have a significant effect on the revenues, expenses, comprehensive income, assets and liabilities recognized and disclosures made in the interim financial statements.

Management's best estimates concerning the future are based on the facts and circumstances available at the time estimates are made. Management uses historical experience, general economic conditions and assumptions regarding probable future outcomes as the basis for determining estimates. Estimates and their underlying assumptions are reviewed periodically and the effects of any changes are recognized immediately. Actual results could differ from the estimates used.

Management's budget and strategic plans are fundamental information used as a basis for estimates necessary to prepare financial information. Management tracks performance as compared to the budget and significant variances in actual performance are a key trigger to assess whether certain estimates used in the preparation of financial information must be revised.

The following areas require management's critical estimates and judgments:

Valuation of deferred tax assets and liabilities

To determine the extent to which deferred tax assets can be recognized, management estimates the amount of probable future taxable profits that will be available against which deductible temporary differences and unused tax losses can be utilized as part of the budget process. Management exercises judgment to determine the extent to which realization of future taxable income will be available against which the deductible temporary differences and unused tax losses can be utilized. To the extent that management's assessment of the Corporation's ability to utilize future tax deductions changes, the Corporation would be required to recognize more deferred tax assets, and income tax provisions or recoveries in future periods could be affected.

3. Use of Estimates and Judgements *(Continued from previous page)*

Financial liabilities

The Class A shares liability requires management to make estimates and assumptions that affect the reported amount of the liability and the corresponding gain or loss on changes in fair value. Estimates and assumptions used in determining the fair value of this liability include the expected life of the instrument and the volatility of the underlying share price. Details of the assumptions used are included in Note 6.

Share-based payments and Warrants granted

The Corporation measures the cost of share-based payments, either equity or cash-settled, with employees by reference to the fair value of the equity instrument or underlying equity instrument at the date on which they are granted. Estimating fair value for share-based payments requires management to determine the most appropriate valuation model for a grant, which is dependent on the terms and conditions of each grant. In valuing certain types of stock-based payments and warrants granted, the Corporation uses the Black-Scholes option pricing model. Several assumptions are used in the underlying calculation of fair values of the Corporation's stock options and warrants granted using the Black-Scholes option pricing model, including the expected life of the option or warrant, stock price volatility and forfeiture rates. Details of the assumptions used are included in Note 6.

Intangible assets

Development costs are capitalized as a part of intangible assets when the specific criteria related to technical, market and financial feasibility are met or when a regulatory filing is being prepared and approval is considered highly likely. The likelihood of regulatory approval is reviewed and adjusted for should facts and circumstances change. Technical, market and financial feasibility criteria are assessed annually based on management's experience, general economic conditions and assumptions regarding future outcomes. Future events could cause the assumptions on which the development costs are capitalized to change, which could affect the Corporation's results in the future.

4. Intangible Assets

The intangible assets consist of:

	Patents	***Intellectual Property***	***Development Costs***	***Total***
Cost				
Balance, beginning of period	**-**	**-**	**-**	**-**
Additions	**85,367**[(1)]	**333,150**[(1)]	**480,522**[(1)]	**899,039**
Investment tax credit	**-**	**-**	**(173,847)**	**(173,847)**
Balance as at January 31, 2016	**85,367**	**333,150**	**306,675**	**725,192**

(1) On June 19, 2015, the Corporation entered into three long-term Research Service Agreements with La Corporation de l'École Polytechnique de Montréal ("Polytechnique") who is a shareholder of the Corporation. The agreements require that the Corporation disburse funds in the amount of $2,100,000 over a 36 month period as described in Note 11a, $326,667 of which has been recorded as Development Costs in the current fiscal year.

On June 19, 2015, the Corporation entered into an Intellectual Property Assignment and Technology Transfer Agreement with Polyvalor Limited Partnership ("Polyvalor"), for a total amount of $523,535 as described in Note 11b. In the current fiscal year, the Corporation recorded an amount of $352,125 in the accounts: (i) $8,000 was recorded as Patent costs; (ii) $118,367 as Development Costs and (iii) $225,758 as Intellectual Property costs.

No amortization has been recorded in the fiscal year. Amortization of the Patents will commence when the Patents have been approved. Amortization of the Intellectual Property and Development Costs will commence when the various products have been commercialized.

5. Operating Loan

On June 19, 2015, the Corporation entered into a loan agreement with Manitex Capital Inc. ("Manitex"), a shareholder of the Corporation, for a maximum amount of $240,000. Borrowing under this unsecured loan agreement bear interest at 8% per annum. Interest charges in the amount of $7,366 were recorded in the current fiscal year. As at January 31, 2016 the Corporation had drawn on the loan to its maximum amount. Pursuant to the agreement, any borrowings were to be repaid by January 31, 2016. Subsequent to year end the loan agreement was amended and the loan is due on demand.

6. Share Capital

(a) Authorized:

Unlimited number of Class "A" common shares, no par value.

Unlimited number of Class "AA" preferred shares, non-voting, non-cumulative dividends at the discretion of the directors, no par value

Unlimited number of Class "B" preferred shares, redeemable, non-voting, non-cumulative dividends of 1%, no par value

Issued and fully paid:

12,966,666 Class A common shares	**1,020,617**

On February 5, 2015, the Corporation issued 10,000 Class A common shares for total proceeds of $1. The Corporation did not incur any costs related to the issuance of these common shares.

On May 5, 2015, the Corporation issued 2,212,222 Class A common shares for total proceeds of $221. The Corporation did not incur any costs related to the issuance of these common shares.

On June 19, 2015, the Corporation issued 9,444,444 Class A common shares for total proceeds of $500,395. The Corporation did not incur any costs related to the issuance of these common shares.

On June 19, 2015 a further 833,334 Class A common shares, for total proceeds of $75,757, were issued as fully paid with no par value. These shares have a put right associated to them allowing the shareholder to require that the Corporation redeem the shares if the Corporation has not gone public by June 19, 2022. As these shares include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset, they do not meet the criteria in IAS 32 *Financial Instruments: Presentation* for classification as equity and therefore are classified as a FVTPL liability. At January 31, 2016 the fair value of this liability was increased to $333,334 based on a value of $0.40 per common share, such value having been estimated by using a Relative Fair Value Method calculation based on the common share pricing of the private placements concluded in January 2016. Details of the assumptions used are as follows:

Methods	***Rate, period and dollar***
Weighted average risk-free interest rate	0.90%
Weighted average volatility factor	125%
Weighted average expected life	2 years
Weighted fair value of options	$0.40

Volatility is determined based on the historical share price of comparable companies. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

In January 2016, the Corporation closed a private placement of $650,000 through the issuance of 1,300,000 units at $0.50 per unit, each unit comprising of one common share and one-half (1/2) common share purchase warrant. Each full warrant entitles the holder to purchase one common share at $0.70 per share. The warrants have a life of twenty-four (24) months and expire on January 28, 2017. If, during the twenty-four (24) months period the Corporation's weighted average share price for 30 consecutive trading days equals or exceeds $1.00., the Corporation may give notice to the Warrant holders that they must exercise their remaining Warrants within a period of 30 days from the date of receipt of the notice. Using the Black-Scholes option valuation model, the unit was valued at $0.40 for the common share and $0.10 for the warrant. The share issue costs associated with the private placements were $14,000.

6. Share Capital *(Continued from previous page)*

(a) Authorized** (Continued from previous page)**:

The following schedules the common shares issuable on exercise of the warrants and share-based payment transactions granted during the current fiscal year:

	Shares issuable on exercise of			
	Warrants		***Share options***	
	Number of shares	***Weighted exercise price***	***Number***	***Weighted exercise price***
Balance, beginning of year	**-**	**-**	**-**	**-**
Granted during the year	**650,000**	**0.70**	**1,025,000**	**0.16**
Expired during the year	**-**	**-**	**-**	**-**
Cancelled during the year	**-**	**-**	**-**	**-**
Exercised during the year	**-**	**-**	**-**	**-**
Balance, January 31, 2016	**650,000**	**0.70**	**1,025,000**	**0.16**

(b) Share option issuances and compensation expense:

On June 19, 2015, the Corporation implemented an incentive stock option plan for directors, officers, employees and consultants to participate in the growth and development of the Corporation by providing such person with the opportunity, through stock options, to purchase common shares of the Corporation.

On July 1, 2015, the Board granted 100,000 options at an exercise price of $0.10, expiring on July 1, 2020. Following that, on August 1, 2015, the Board granted 300,000 options at an exercise price of $0.10, expiring on August 1, 2020. Each of these grants vests evenly over a four year period. The total compensation cost of these stock options is estimated to be $71,283, which will be recognized on a gradual basis over the vesting period of the stock options.

On November 1, 2015, the Corporation adopted a revised Stock Option Plan which provides that the aggregate number of Shares reserved for issuance, set aside and made available for issuance may not exceed 10% of the number of issued Shares at the time the options are to be granted. The maximum number of options which may be granted to any one beneficiary shall not exceed 5% of the issued Shares, calculated at the date the option is granted.

The Stock Option Plan is administered by the Board of Directors of the Corporation and it has full and final authority with respect to the granting of all options thereunder. Options may be granted under the Stock Option Plan to such directors, officers, employees or consultants of the Corporation and its affiliates, if any, as the Board of Directors may from time to time designate. The exercise price of any options granted under the Stock Option Plan shall be determined by the Board of Directors, subject to any applicable regulations or policies. The term and vesting of any options granted under the Stock Option Plan shall be determined by the Board of Directors at the time of grant, however, subject to earlier termination in the event of dismissal for cause, termination other than for cause or in the event of death, the term of any options granted under the Stock Option Plan may not exceed 5 years.

Options granted under the Stock Option Plan are not to be transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession to a qualified successor. In the event of death of an option holder, options granted under the Stock Option Plan expire upon the earlier of the normal expiry date of the options or one year from the date of death of the option holder. Subject to certain exceptions, in the event that an employee, director, officer, consultant or individual conducting investor relations activities ceases to hold office, options granted to such a holder under the Stock Option Plan will expire 90 days after the holder ceases to hold office or such earlier date as the Board of Directors may decide at the date the options were granted. Notwithstanding the foregoing, in the event of a termination for cause of an option holder, all unexercised options held by such option holder shall immediately terminate.

On November 26, 2015, the Board granted 625,000 options at an exercise price of $0.20, expiring on November 25, 2020. The options vest as follows: 125,000 options vest on the grant date; 125,000 vest on each of June 1, 2016, November 30, 2016 and June 1, 2017; and 62,500 options vest on each of November 30, 2017 and June 1, 2018. The total compensation cost of these stock options is estimate to be $75,779, which will be recognized on a gradual basis over the vesting period of the stock options.

6. Share Capital *(Continued from previous page)*

(b) Share option issuances and compensation expenses *(Continued from previous page)*

All share-based payments will be settled in equity. The Corporation has no legal or contractual obligation to repurchase or settle the options in cash.

The following options to purchase common shares were outstanding as at January 31, 2016:

Options outstanding	***Options Exercisable***	***Exercise price***	***Remaining contractual life***
400,000	**100,000**	**$0.10**	**4.5 years**
625,000	**125,000**	**$0.20**	**4.8 years**

Under the Black-Scholes option-pricing model, the following assumptions were used when the options were granted:

	July 2015 option grant	*August 2015 option grant*	*November 2015 option grant*
Weighted average risk-free interest rate	0.81%	0.76%	0.90%
Weighted average volatility factor	125%	125%	125%
Weighted average expected life	5 years	5 years	5 years
Weighted fair value of options	$0.371	$0.371	$0.356
Forfeiture rate	Nil	Nil	Nil

Volatility is determined based on the historical share price of comparable companies.

(c) Warrants

In January 2016, the Corporation issued 1,300,000 share purchase half-warrants as part of the private placements (Note 6a). Each full warrant shall entitle the holder to acquire one common share of the Corporation at an exercise price of $0.70 per common share. The half-warrants expire on January 28, 2018. The warrants were valued at $0.10 using the Black-Scholes option valuation model with the following assumptions:

Methods	***Rate, period and dollar***
Weighted average risk-free interest rate	$0.90
Weighted average volatility factor	125%
Weighted average expected life	2 years
Expected dividend yield	Nil

Volatility is determined based on the historical share price of comparable companies.

(d) Earnings per share:

The weighted average number of shares outstanding used in the calculation of earnings per share is as follows:

Weighted average number of common shares outstanding	**8,150,084**
Basic and diluted loss per common shares	**(0.11)**

The number of options outstanding as at January 31, 2016 is not included in the calculation because the effect is anti-dilutive.

7. Income Taxes

(a) Details of the components of income taxes are as follows:

Loss before income taxes	**(927,880)**
Basic income tax rate	**26.9%**
Computed income tax recovery	**(249,600)**
Decrease resulting from:	
Permanent differences	**139,299**
Change in deferred tax assets not recognized	**110,301**
	249,600
Provision for income taxes	**-**

(b) The tax effects of significant items comprising the Corporation's net deferred tax assets and liabilities are as follows:

Non-capital losses carried forward	**259,910**
R&D federal investment credit	**(39,182)**
Intangible assets	**(109,682)**
Deferred share issue costs	**(745)**
	110,301
Deferred tax assets not recognized	**(110,301)**
	-

In assessing the realizability of deferred tax assets, management considers whether it is probable that some portion or all of the deferred tax assets and liabilities will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income and tax planning strategies.

(c) The Corporation has accumulated non-capital losses of approximately $968,779 and $962,967 for income tax purposes for Federal and Quebec governments, respectively, which are available to be applied against future taxable income and expire in 2035.

The Corporation has not recognized the tax benefit of the losses and will recognize them when future profits are probable in the respective jurisdictions.

8. Financial Instruments

The classification of financial instruments at their carrying and fair values is as follows:

	Carrying Value FVTPL	***Fair Value***
Financial Assets		
Cash	**646,246**	**646,246**

	Carrying Value		**Fair Value**
	FVTPL	***Other financial liabilities***	
Financial Liabilities			
Accounts payable and accrued liabilities	**-**	**858,139**	**858,139**
Operating loan	**-**	**240,000**	**240,000**
Class A shares liability	**333,334**	**-**	**333,334**
	333,334	**1,098,139**	**1,431,473**

9. Financial Risk Factors

The Corporation's activities expose it to financial risks: market risk specifically to cash flow and fair value interest rate risk and liquidity risk. The Corporation's overall risk management program focuses on the unpredictability of the financial market and seeks to minimize potential adverse effects on the Corporation's financial performance. The Corporation does not use derivative financial instruments to hedge these risks.

Management determined that the Corporation is not exposed to currency and credit risk arising from these financial instruments.

(a) Market risk

(i) Cash flow and fair value interest rate risk

The Corporation is exposed to fair value interest rate risk due to the operating loan negotiated at a fixed rate.

(ii) Currency risk

The Corporation has cash and accounts payable and accrued liabilities in US$ currency. The Corporation does not hold financial derivatives to manage the fluctuation of these risks.

The following presents the accounts that are exposed to foreign exchange volatility:

	US$	***Total CDN $ Equivalent***
Cash	**200**	**280**
Accounts and accrued liabilities	**(46,122)**	**(64,598)**

(b) Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its obligations as they fall due. The following are the contractual maturities of financial liabilities as at January 31, 2016.

	Carrying Value	***Less than 30 days***	***30 days to 3 months***	***3 months to 12 months***	***More than 12 months***
Financial Liabilities					
Accounts payable and accrued liabilities	**858,139**	**-**	**858,139**	**-**	**-**
Operating loan	**240,000**	**-**	**-**	**240,000**	**-**
Class A shares liability	**333,334**	**-**	**-**	**-**	**333,334**
	1,431,473	**-**	**858,139**	**240,000**	**333,334**

(c) Fair value risk

The Corporation's financial instruments consist of cash, accounts payable and accrued liabilities, operating loan and Class A shares liability. The fair value of these financial instruments approximated the carrying value disclosed in Note 8 due to the short-term maturity of the instruments.

(d) Capital risk management

The Corporation' objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for the shareholders and benefits for other stakeholders. The Corporation includes equity, comprised of issued common shares and contributed surplus, in the definition of capital. The Corporation's primary objective with respect to its capital management is to ensure that is has sufficient financial resources to meet its financial obligations. To secure the additional capital necessary to pursue these plans, the Corporation will attempt to raise additional funds through the issuance of equity or by securing strategic partners. The Corporation is not subject to any externally imposed capital requirements.

10. Related party transactions

Included in accounts payable and accrued liabilities is an amount of $140,566 due to Manitex for reimbursement of various expenses that Manitex has paid on behalf of the Corporation. Included in administrative and office expenses are the salary and benefits associated with the President's compensation. This compensation is broken down into $71,809 for salary and employer taxes, and $74,780 of stock option compensation. All other related party transactions have been disclosed in these financial statements.

11. Commitments

a) On June 19, 2015 the Corporation entered into three long-term Research Service Agreements with Polytechnique, requiring disbursements for a total of $2,100,000.
   i) Agreement 1: $17,500 monthly for 36 months for a total of $630,000. The Corporation has recorded eight of the monthly payments in the current period for a total of $140,000.
   ii) Agreement 2: $23,333.33 monthly for 36 months for a total of $840,000. The Corporation has recorded eight of the monthly payments in the current period for a total of $186,667.
   iii) Agreement 3: $17,500 monthly for 36 months for a total of $630,000. The Corporation has recorded eight of the monthly payments in the current period for a total of $140,000.

b) On June 19, 2015, the Corporation entered into an Intellectual Property Assignment and Technology Transfer Agreement with Polyvalor. Payments remaining under this Agreement are as follows:
   i) A non-refundable fee of $35,000 payable on February 28, 2016. This amount was paid subsequent to year-end.
   ii) A non-refundable fee of $36,410 payable on October 31, 2016
   iii) A non-refundable fee of $100,000 payable on or before May 31, 2016

When the product is commercialized, the Corporation must make non-refundable payments to Polyvalor equal to 1.5% of Net Sales.

In the event that the Corporation fails to perform any of the payments provided in this Agreement, compound interest at an annual rate of 12% will be applied on any unpaid balance at the end of each month.

In addition, by February 28, 2016 the Corporation must obtain and conclude cumulative rounds of financing for a minimum amount of $1,470,000 (identified as Round 1), which includes the amount of $500,000 paid by Manitex for its common shares and the operating loan of $240,000 (Note 5). As at January 31, 2016, financing amounting to $1,390,000 was raised. By May 31, 2016, the Corporation must obtain and conclude cumulative rounds of financing for a minimum amount of $2,600,000 (identified as Round 2), which includes the $1,470,000 financing in Round 1. In the event that the Corporation is not able to obtain financing as described, the Corporation will have a period of three (3) months from each date of the Rounds to find alternative financing solutions, which will require approval by an investment committee. If such approval is not obtained nor the financing secured, the Agreement can be unilaterally terminated by Polyvalor. Any and all amounts owed will become payable immediately and the assigned Intellectual Property will immediately and automatically revert back to Polyvalor for a nominal amount of one dollar.

12. Subsequent Events

During the month of February 2016, the Corporation closed a private placement of $80,000 for 160,000 units at a subscription price of $0.50 per unit, with each unit consisting of one Class A common share and one-half common share purchase warrant. A full warrant will entitle the holder to acquire one common share at an exercise price of $0.70 per share at any time on or before the close of business on a date that is twenty-four months from the subscription date. If, during the twenty-four months after that date, the Corporation's weighted average share price for 30 consecutive trading days equals or exceeds $1.00, the Corporation may give notice to the warrant holders that they must exercise their warrants within a period of 30-days from the date of receipt of the notice. The private placement was completed by an authorized dealer, with fees of 5% of the placement value and 5% of shares issued.

On April 25, 2016, Manitex Capital Inc. signed a letter of intent to provide $1,130,000 of additional financing to the Corporation. The exact amount of the additional financing will be equal to the difference between $2,600,000 and the total amount of financing secured by the Corporation, through cumulative rounds of financing, prior to May 31, 2016. The additional financing will be under the same terms and conditions as the loan agreement entered into on June 19, 2015 and amended on January 31, 2016 (note 5).

12. Subsequent Events *(Continued from previous page)*

On April 29, 2016 the Corporation filed a preliminary prospectus with specific security regulatory authorities in connection with an initial public offering of its shares by way of Manitex Capital Inc. distributing a dividend-in-kind of Ortho Class A Common Shares to the holders of Manitex shares. Manitex is an existing shareholder of the Corporation and currently holds 5,109,000 shares of Ortho. The dividend-in-kind of Class A Common Shares of Ortho will be paid on the basis of one share for every ten Manitex shares which are outstanding on the Record Date, to be set by Manitex's Board of Directors. On March 24, 2016 Manitex has 12,561,276 shares that are issued and outstanding. Manitex will cause the distribution of 1,256,127 Ortho shares to holders of Manitex shares, pursuant to the prospectus, at a deemed value of $0.50 per share.

CERTIFICATE OF THE CORPORATION

Dated: April 29, 2016

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories of Canada.

(s) *Edward Margerrison*

EDWARD MARGERRISON
President and Chief Executive Officer

(s) *Helen Saviuk*

HELEN SAVIUK
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(s) *Michael Buschmann*

MICHAEL BUSCHMANN
Director, Chief Scientific Officer

(s) *Steven Saviuk*

STEVEN SAVIUK
Executive Chairman of the Board

CERTIFICATE OF THE PROMOTER

Dated: April 29, 2016

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of the provinces and territories of Canada.

MANITEX CAPITAL INC.

Per: (s) *Steven Saviuk*

STEVEN SAVIUK
President and Chief Executive Officer