ORTHO REGENERATIVE TECHNOLOGIES INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FROM DATE OF INCORPORATION (FEBRUARY 5, 2015) TO JANUARY 31, 2016

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management's Discussion and Analysis for Ortho Regenerative Technologies Inc. ("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 currrent 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.
- IAS 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 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 of 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 $143,242 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 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 approximately $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 approximately $4,500, regulatory consulting of approximately $11,000, news wire fees for press releases of approximately $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 form the Polytechnique covers all expenses that the incur relating to the projects (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 has 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 business plan. 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 raw 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 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 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 . 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 Capital Inc. for its common shares and the operating loan of $240,000. 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 upon written request from 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.