Ortho Regenerative Technologies Inc.
Interim Condensed Financial Statements
For the three-month period ended April 30, 2017

The accompanying unaudited interim condensed financial statements have been prepared by management and approved by the Audit committee and the Board of Directors of the Corporation. These statements have not been reviewed by the Corporation's external auditors.

Contents

Page

	April 30, 2017 $	January 31, 2017 $
Assets		
Cash	**339,259**	7,366
Sales tax receivable	**5,468**	14,928
Prepaid expenses	**7,152**	11,222
Investment tax credits	**245,000**	345,005
Total current assets	**596,879**	378,521
Investment tax credits	**92,083**	-
Intangible assets *(Note 4)*	**1,491,903**	1,294,789
Total non-current assets	**1,583,986**	1,294,789
Total assets	**2,180,865**	1,673,310
Liabilities		
Accounts payable and accrued liabilities	**662,871**	800,311
Operating loan *(Note 5)*	**-**	879,850
Total current liabilities	**662,871**	1,680,161
Convertible loan *(Note 6)*	**532,686**	-
Class A shares liability *(Note 7)*	**429,334**	333,334
Total non-current liabilities	**962,020**	333,334
Total liabilities	**1,624,891**	2,013,495
Shareholders' equity (deficiency)		
Common shares *(Note 8)*	**2,001,331**	1,200,031
Warrants *(Note 8)*	**455,700**	238,000
Contributed surplus *(Note 8)*	**348,832**	276,115
Deficit	**(2,249,889)**	(2,054,331)
Total shareholders' equity (deficiency)	**555,974**	(340,185)
Total liabilities and shareholders' equity (deficiency)	**2,180,865**	1,673,310

Going Concern *(Note 1)*; Related Party Transactions *(Note 11)*; Commitments *(Note 12);*

/s/ Brent Norton" , Director

/s/ *Laurence Terrisse-Rulleau* , Director

	2017	2016
	$	$
General and Administrative Expenses		
Professional fees	**14,302**	2,317
Consulting fees *(Note 12)*	**91,582**	21,128
Research costs *(Note 12)*	**3,834**	78,500
Office and administrative *(Note 12)*	**46,517**	115,812
Travel and promotion	**6,274**	12,020
Transfer agent and filing fees	**6,685**	-
Share-based compensation *(Note 8 and 12)*	**5,656**	40,463
Amortization – intangible assets *(Note 4)*	**535**	-
	173,422	270,240
Financial Expenses (Income)		
Interest and bank charges *(Note 12)*	**26,713**	2,462
Interest paid with shares *(Note 7)*	**20,000**	-
Interest and accretion on convertible loan *(Note 6)*	**1,247**	-
Gain on settlement of debt *(Note 7)*	**(24,000)**	-
	23,960	2,462
Net loss and comprehensive loss	**195,558**	272,702

	Number of shares	Share capital	Warrants	Contributed surplus	Accumulated Deficit	Total equity
Balance, as at January 31, 2016	12,966,666	1,006,617	130,000	146,060	(927,880)	354,797
Issuance of shares as equity *(Note 8)*	160,000	68,000	-	-	-	68,000
Share issue costs *(Note 8)*	8,000	(8,000)	-	-	-	-
Issuance of warrants *(Note 8)*	-	-	16,000	-	-	16,000
Share based compensation *(Note 8)*	-	-	-	40,463	-	40,463
Net loss for the period	-	-	-	-	(272,702)	(272,702)
Balance, as at April 30, 2016	13,134,666	1,066,617	146,000	186,523	(1,200,582)	198,558
Balance, as at January 31, 2017	**14,093,166**	**1,200,031**	**238,000**	**276,115**	**(2,054,331)**	**(340,185)**
Issuance of shares as equity *(Note 8)*	**1,300,000**	**520,000**	**130,000**	**-**	**-**	**650,000**
Conversion of debt into shares as equity *(Note 6)*	**800,000**	**320,000**	**80,000**	**-**	**-**	**400,000**
Share issue costs *(Note 8)*	**-**	**(31,000)**	**-**	**-**	**-**	**(31,000)**
Issuance of warrants *(Note 8)*	**-**	**(7,700)**	**7,700**	**-**	**-**	**-**
Share based compensation *(Note 8)*	**-**	**-**	**-**	**5,656**	**-**	**5,656**
Conversion feature on convertible loan *(Note 6)*	**-**	**-**	**-**	**67,061**	**-**	**67,061**
Net loss for the period	**-**	**-**	**-**	**-**	**(195,558)**	**(195,558)**
Balance, as at April 30, 2017	**16,193,166**	**2,001,331**	**455,700**	**348,832**	**(2,249,889)**	**555,974**

The number of shares held in escrow as at April 30, 2017 is 11,508,858 (Nil – April 30, 2016)

Ortho Regenerative Technologies Inc.
Statements of Cash Flows
For the three-month period ended April 30

	2017	2016
	$	$
Operating activities:		
Net loss from operations	**(195,558)**	(272,702)
Add items not affecting cash:		
Share based compensation *(Note 8)*	**5,656**	40,463
Amortization – intangible assets *(Note 4)*	**535**	-
Gain on settlement of debt *(Note 7)*	**(24,000)**	-
Interest paid on issuance of shares *(Note 7)*	**20,000**	-
Interest and accretion on convertible loan *(Note 6)*	**1,247**	-
	(192,120)	(232,239)
Net change in non-cash operating working capital:		
Investment tax credits	**7,922**	(33,450)
Sales tax receivable and prepaid expenses	**13,530**	(4,622)
Accounts payable and accrued liabilities	**(98,390)**	(264,466)
	(76,938)	(302,538)
Cash used in operating activities	**(269,058)**	(534,777)
Investing activities:		
Acquisition of intangible assets, net of investment tax credit of $69,908 ($24,450 – 2016) *(Note 4)*	**(97,649)**	(158,597)
Financing activities:		
Increase in operating loan	**81,100**	20,000
Issuance of share capital as equity *(Note 8)*	**650,000**	80,000
Payment of debt issue costs *(Note 6)*	**(1,500)**	-
Payment of share issue costs *(Note 8)*	**(31,000)**	(4,000)
Payment of deferred share issue costs *(Note 8)*	**-**	(46,881)
Cash provided by financing activities	**698,600**	49,119
Increase (decrease) in cash	**331,893**	(644,255)
Cash, beginning of year	**7,366**	646,246
Cash, end of year	**339,259**	1,991
Supplementary cash flow information		
Change in accounts payable reflected in intangibles	**(47,000)**	(77,066)
Interest on short term liabilities recorded in accounts payable and accrued liabilities	**44,868**	-
Acquired intangible assets by issuance of shares *(Note 7)*	**100,000**	-
Settlement of accrued interest by issuance of convertible loan *(Note 5)*	**39,050**	-
Settlement of operating loan by issuance of convertible loan *(Note 5)*	**560,950**	-
Settlement of operating loan by issuance of shares *(Note 5)*	**400,000**	-

1. Presentation of Financial Statements

Description of the Business and Going Concern

Ortho Regenerative Technologies Inc. ("the Corporation" or "Ortho") 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. 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 Corporation's head office, principal address and registered office is located at 16667 Hymus Blvd., Kirkland, Quebec, Canada.

On April 29, 2016 the Corporation filed a final prospectus with specific security regulatory authorities in connection with an initial public offering of its shares by way of Manitex Capital Inc. ("Manitex") 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 held 5,109,000 shares of Ortho. On June 3, 2016, the dividend-in-kind of Class A Common Shares of Ortho was paid on the basis of one share for every ten Manitex shares which are outstanding on the Record Date set by Manitex's Board of Directors. On June 3, 2016 Manitex has 12,561,276 shares that are issued and outstanding and caused the distribution of 1,100,142 Ortho shares to Canadians residents holders of Manitex shares and $77,926 was paid in cash to non-residents, pursuant to the prospectus, at a deemed value of $0.50 per share. Manitex is listed on the TSX Venture Exchange under the symbol MNX.

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. In its assessment to determine if the going concern assumption is appropriate, management takes into account all data available regarding the future for at least, without limiting, the next twelve months. The Corporation has yet to generate revenue and has relied upon the issuance of debt and equity instruments to fund operations. As at April 30, 2017, the Corporation has a deficit of $ 2,249,889 ($2,054,331 as at January 31, 2017) and a negative working capital of $ 65,992 ($1,301,640 as at January 31, 2017. In addition, the Corporation closed a private placement in two tranches, for a amount of $650,000 describe in Note 8. In Conjunction with the second tranche, Manitex converted $400,000 from its debt into shares and $600,000 into a convertible loan, interest bearing at 10% and maturing on February 1, 2019 as explain in note 6. The ability of the Corporation to fulfill its obligations and finance its future activities depends on the ability to raise capital and the continuous support of its creditors. 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. This indicates the existence of material uncertainties that may cast a significant doubt about the ability of the Corporation to continue its operations and subsequently, usefulness of using accounting principles applicable to a going concern company.

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.

These financial statements were approved and authorized for issuance by the Board of Directors on June 13, 2017.

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.

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

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.

	April 30, 2017	January 31, 2017
End of period exchange rate	**1.3299**	1.3012
	April 30, 2017	April 30, 2016
Period average exchange rate	**1.3297**	1.3272

c) Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting. The unaudited condensed interim consolidated financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual financial statements for the year ended January 31, 2017 as they follow the same accounting policies and methods of application.

d) 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.

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.

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

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

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.

IAS 7 Statement of Cash Flows

In January 2016, amendments to IAS 7 Statement of cash flows were issued to improve information provided to users of financial statements about an entity's changes in liabilities arising from financing activities, including both changes from cash flows and non-cash changes. The amendment shall be applied by way of prospective application for annual reporting periods beginning on January 1, 2017 or thereafter. The Corporation is currently evaluating the impact of adopting this standard.

IAS 12 Income Taxes

IAS 12 - Income Taxes was amended in January 2016 to clarify that, among other things, unrealized losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use; the carrying amount of an asset does not limit the estimation of probable future taxable profits; and estimates for future taxable profits exclude tax deduction resulting from the reversal of deductible temporary differences. The amendments are effective for annual reporting periods beginning on or after January 1, 2017. The Corporation is currently evaluating the impact of adopting this standard.

3. Use of Estimates and Judgements

The preparation of the unaudited condensed interim consolidated financial statements requires management to undertake a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from these judgments and estimates. These estimates and judgments are based on management's best knowledge of the events or circumstances and actions the Company may take in the future. The estimates are reviewed on an ongoing basis. Information about the significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed in Note 3 of the Corporation's 2017 annual financial statements and are still applicable for the period ended April 30, 2017.

4. Intangible Assets

The intangible assets consist of:

Cost	*Patents* $	*Intellectual Property* $	*Development Costs* $	*Total* $
Balance as at January 31, 2017	**186,140**	**368,150**	**740,499**	**1,294,789**
Additions	**1,690**	**136,410**	**129,457**	**267,557**
Investment tax credits	**-**	**-**	**(69,908)**	**(69,908)**
Balance as at April 30, 2017	**187,830**	**504,560**	**800,048**	**1,492,438**

4. Intangible Assets *(Continued from previous page)*

Accumulated amortization	*Patents* $	*Intellectual Property* $	*Development Costs* $	*Total* $
Balance as at January 31, 2017	**-**	**-**	**-**	**-**
Additions	**535**	**-**	**-**	**535**
Balance as at April 30, 2017	**535**	**-**	**-**	**535**
Carrying value as at April 30, 2017	**187,295**	**504,560**	**800,048**	**1,491.903**

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.

On August 26, 2016, one patent was issued and will expired in year 2032. The cost of the patent is $33,985 and will be amortized over the remaining life of 16 years at $2,140 per annum.

5. Operating Loan

The Corporation had a loan agreement with Manitex Capital Inc. ("Manitex"), a shareholder of the Corporation. Borrowing under this unsecured loan agreement bore interest at 8% per annum and was due on demand. On April 27, 2017, the Corporation entered into a debt conversion and convertible loan agreement with Manitex, which settle amount due on the operating loan and a partial amount from interest accrued. On April 27, 2017, the Corporation is indebted to Manitex in an aggregate amount of $1,219,050 and was settled as follow:

	$
Unsecured operating loan	**960,950**
Accrued interest	**57,411**
Various accounts payable	**200,689**
Total indebtedness	**1,219,050**
Settlement by issuance of Convertible loan *(Note 6)*	**(600,000)**
Settlement by issuance of 800,000 units *(Note 8)*	**(400,000)**
Amounts to be included in accounts payable and accrued liabilities	**219,050**

The amount of $219,050 is due on demand.

6. Convertible Loan

Convertible loan consists of the following:

	April 30, 2017 ***$***	***January 31, 2017*** ***$***
Face value of the convertible loan upon conversion *(Note 5)*	**600,000**	**-**
Less: discount	**(67,061)**	**-**
Book value of convertible loan on initial recognition	**532,939**	**-**
Accretion expense during the period	**1,247**	**-**
Deferred financing charges	**(1,500)**	
Convertible loan, long term	**532,686**	**-**

On April 27, 2017, the Corporation converted $600,000 into a first ranking, long-term convertible loan, bearing interest at an annual rate of 10%, to be paid repaid in full, principal and interest on February 1, 2019. Prior to the Maturity Date, Manitex, at any time, has the option to convert all or any part of the Convertible Loan amount, into shares of the Corporation at a deemed price of $1.00 per shares. If, prior to the Maturity Date, the Corporation's 20-day volume weighted average share price equals or exceed $1.50, the Corporation shall have the right, at any time, to require Manitex to convert all, or any part of the balance of the Convertible Loan at a deemed price of $1.00 per share of the Corporation.

At the time of issue, the convertible loan were separated into liability and equity components using the residual method. The fair value of the liability component was calculated using discounted cash flows for the convertible loan assuming an effective interest rate of 18%. The effective interest rate was based on the estimated rate for a debenture with similar terms but without a conversion feature from comparable companies. The fair value of the equity component (conversion feature) was determined at the time of issue as the difference between the face value of the convertible loan and the fair value of the liability component. The liability component was subsequently measured at amortized cost using the effective interest rate method and was accreted up to the principal balance at maturity. The accretion is presented as a financial expense.

Transaction costs of $1,500 were incurred on the issuance of the convertible loan and were netted against the liability. The transaction costs allocated to the liability component will be amortized at the effective interest rate over the term of the convertible debentures and will be presented as a financial expense.

7. Class A shares liability

As per the shareholders' agreement all shares held by Polyvalor have a put right associated to them allowing Polyvalor 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.

Class A shares consists of the following:

	April 30, 2017 ***$***	*January 31, 2017* *$*
833,334 shares issued on June 19, 2015, held in escrow	**333,334**	333,334
240,000 shares issued on March 31, 2017	**96,000**	-
Fair value of Class A common shares	**429,3334**	333,334

On March 31, 2017, the Corporation entered into a shares for debt agreements, with Polytechnique and Polyvalor, where the Corporation issued 240,000 of its common shares to Polyvalor at a deemed price of $0.50 per common share to satisfy $120,000 of outstanding amounts owing to them. The amount represents the commitment of a non-refundable fee of $100,000 as per the Assignment and Transfer Agreement, an interest of $10,000 (notwithstanding any provision of the Assignment and Transfer Agreement), plus a premium of $10,000 to the Principal Amount such that the total amount owed by the Corporation to Polytechnique equals $120,000. The shares were issued on March 31, 2017 having an aggregate fair value at that date of $96,000. Accordingly, a gain of $24,000 was charged to the statement of loss as a gain on settlement of debt. Details of the assumptions used are as follows:

As at April 30, 2017, management reviewed the fair value and determined that the value of the common shares is $0.40 based on the offered private placement which was closed on April 27, 2017. Details of the assumptions used are as follows:

7. Class A shares liability *(Continued from previous page)*

	April 30, 2017	**March 31, 2017**	*January 31, 2017*
Weighted average risk-free interest rate	**0.74%**	**0.72%**	0.82%
Weighted average volatility factor	**87%**	**87%**	125%
Weighted average expected life	**1.5 years**	**1.5 years**	1.5 years
Weighted of Class A common shares	**$0.40**	**$0.40**	$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.

8. 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 as at April 30 and January 31:	**2017**	2017
16,193,166 (2017 – 14,093,166) Class A common shares	**$ 2,312,017**	$1,472,017

On April 27, 2017, the Corporation closed a second tranche of $120,000 for 240,000 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 eighteen months from the subscription date. If, during the eighteen 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. Using the Black-Scholes option valuation model, the unit was valued at $0.40 for the common shares and $0.10 for the half-warrant. The private placement was completed by an authorized dealer, with a cash fees of $6,000 of the placement value and 12,000 of brokers warrants. In addition to the private placement, the Corporation received a subscription in the amount of $50,000 for 100,000 units, under the same terms and conditions as describe above. The share issue cost associated with the private placement were $ 10,180.

Concomitant with the closing of the second tranche, the Corporation entered into a debt conversion and convertible loan agreement with Manitex. From the outstanding amount of $1,219,050, $400,000 is converted into 800,000 units at deemed price of $0.50 per Unit. 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 eighteen months from the subscription date. If, during the eighteen 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. Using the Black-Scholes option valuation model, the unit was valued at $0.40 for the common shares and $0.10 for the half-warrant.

On March 31, 2017, the Corporation closed a private placement of $430,000 for 860,000 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 eighteen months from the subscription date. If, during the eighteen 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. Using the Black-Scholes option valuation model, the unit was valued at $0.40 for the common shares and $0.10 for the half-warrant. The private placement was completed by an authorized dealer, with fees of $21,500 of the placement value and 43,000 of brokers warrants. In addition to the private placement, the Corporation received a subscription in the amount of $50,000 for 100,000 units, under the same terms and conditions as describe above. The share issue cost associated with the private placement were $ 28,520.

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

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

On August 2, 2016, the Corporation closed a private placement of $385,000 for 770,000 units at a subscription price of $0.50 per unit, with each unit consisting of one Class A common share and one-half (1/2) 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 full 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 half-warrant. The share issue costs associated with the private placements were $34,650. In addition to the private placement, the Corporation received a subscription form from a director in the amount of $75,000 for 150,000 units, under the same terms and conditions as describe above. On August 2, 2016, the Corporation issued 958,500 shares and 460,000 full warrants for a total net proceed of $440,750.

On July 29, 2016, the escrow agreement was signed and filed with the Autorité des Marchés Financiers. Based on the escrow agreement, 11,508,858 shares are held in escrow and will be released by the Escrowed Securities as follows:

Release Date	**Portion of Escrowed Securities Released**
On the date of Corporation's securities are listed	1/10 of the Escrowed Securities
Six months after the listing date	1/6 of the Escrowed Securities
12 months after the listing date	1/5 of the Escrowed Securities
18 months after the listing date	1/4 of the Escrowed Securities
24months after the listing date	1/3 of the Escrowed Securities
30 months after the listing date	1/2 of the Escrowed Securities
36 months after the listing date	The remaining of the Escrowed Securities

On June 3, 2016, the Corporation and Manitex completed its transaction as described in the long form prospectus by the payment of a dividend-in-kind of 1,100,142 Class "A" common shares of Ortho RTi held by Manitex. Therefore, the cost related to the transaction amounted to $215,336 and was charged to share capital in the period.

In 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 (1/2) 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 full 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 half-warrant. The share issue costs associated with the private placements were $8,000.

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

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

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

	Shares issuable on exercise of			
	Full Warrants		*Share options*	
	Number of shares #	*Weighted exercise price $*	*Number #*	*Weighted exercise price $*
Balance, January 31, 2016	650,000	0.70	1,025,000	0.16
Granted during the period	80,000	0.70	-	-
Expired during the period	-	-	-	-
Cancelled during the period	-	-	-	-
Exercised during the period	-	-	-	-
Balance, April 30, 2016	730,000	0.70	1,025,000	0.16
Balance, January 31, 2017	**1,190,000**	**0.70**	**800,000**	**0.25**
Granted during the period	**1,105,000**	**0.69**	**-**	**-**
Expired during the period	**-**	**-**	**-**	**-**
Cancelled during the period	**-**	**-**	**(50,000)**	**0.50**
Exercised during the period	**-**	**-**	**-**	**-**
Balance, April 30, 2017	**2,295,000**	**0.70**	**750,000**	**0.15**

(b) Share option and compensation expense:

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. The 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 June 23, 2016, the Board granted 371,800 options at an exercise price of $0.50, expiring on June 23, 2021. The options vest as follows: 100,000 options vest on the grant date; 100,000 options vest on December 24, 2016, 96,800 options vest on June 24, 2017 and 75,000 options vest on December 24, 2017. On August 2, 2016, the board granted the 28,200 options subject to the same terms and conditions as above, these options were reserved by the Board on June 23, 2016. The total compensation cost of these stock options is estimate to be $92,638, which will be recognized on a gradual basis over the vesting period of the stock options.

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

(b) Share option and compensation expense *(Continued from previous page)*:

On April 27, 2017, 50,000 options were cancelled and the recognized compensation related to these options amounted to $ 5,442.

In total, $5,656 ($ 40,463 – April 30, 2016) of employee and directors' remuneration expense has been included in the statement of loss and credited to contributed surplus.

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 April 30, 2017:

Number of Options outstanding	*Number of Options Exercisable*	*Exercise price $*	*Remaining contractual life*
400,000 [1]	**200,000**	**0.10**	**3.25 years**
350,000	**200,000**	**0.50**	**4.15 years**

[1] As per the escrow agreement these options are held in escrow and are subject to the same release conditions as described in a).

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

	August 2016	*June 2016*
Weighted average risk-free interest rate	**0.62%**	**0.62%**
Weighted average volatility factor	**78.15%**	**78.15%**
Weighted average expected life	**5 years**	**5 years**
Weighted fair value of options	**$0.2322**	**$0.2322**
Forfeiture rate	**3.33%**	**3.33%**

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

(c) Warrants

In April 2017, the Corporation issued 1,140,000 share purchase half-warrants as part of the second tranche of the private placements (note 8a). Each full warrant shall entitle the holder to acquire one common shares of the Corporation at an exercise price of $0.70 per common share. The half-warrants expire on October 29, 2018. The half-warrants were valued at $0.10 using the Black-Scholes option valuation model with the following assumptions:

In March 2017, the Corporation issued 960,000 share purchase half-warrants as part of the first tranche of the private placements (note 8a). Each full warrant shall entitle the holder to acquire one common shares of the Corporation at an exercise price of $0.70 per common share. The half-warrants expire on October 1, 2018. The half-warrants were valued at $0.10 using the Black-Scholes option valuation model with the following assumptions:

In connection with these private placements, the Corporation issued to the broker 55,000 share purchase warrants as part of its compensation. Each full warrant shall entitle the holder to acquire one common shares of the Corporation at an exercise price of $0.50 per common share. The warrants were valued at $0.14 using the Black-Scholes option valuation model with the same assumptions as the above.

In August 2016, the Corporation issued 920,000 share purchase half-warrants as part of the private placements (note 6a). Each full warrant shall entitle the holder to acquire one common shares of the Corporation at an exercise price of $0.70 per common share. The half-warrants expire on August 2, 2018. The half-warrants were valued at $0.10 using the Black-Scholes option valuation model with the following assumptions:

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

(c) Warrants *(Continued from previous page):*

In February 2016, the Corporation issued 160,000 share purchase half-warrants as part of the private placements (note 6a). Each full warrant shall entitle the holder to acquire one common shares of the Corporation at an exercise price of $0.70 per common share. The half-warrants expire on February 26, 2018. The half-warrants were valued at $0.10 using the Black-Scholes option valuation model with the following assumptions:

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

	April 2017	***March 2017***	***August 2016***	***February 2016***
Weighted average risk-free interest rate	**0.74%**	**0.72%**	**0.56%**	**0.49%**
Weighted average volatility factor	**87%**	**87%**	**125%**	**125%**
Weighted average expected life	**1.5 years**	**1.5 years**	**2 years**	**2years**
Weighted fair value of half-warrants	**$0.10**	**$0.10**	**$0.10**	**$0.10**

Volatility is determined based on the historical shares 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:

	April 30, 2017	April 30, 2016
Weighted average number of common shares outstanding	**14,461,833**	13,124,109
Basic and diluted loss per common shares	**(0.01)**	(0.02)

The number of options and full warrants outstanding as at January 31, 2017 and 2016 is not included in the calculation because the effect is anti-dilutive.

9. Financial Instruments

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

	April 30, 2017		***January 31, 2017***	
	Carrying Value FVTPL $	***Fair Value $***	***Carrying Value FVTPL $***	***Fair Value $***
Financial Assets				
Cash	**339,259**	**339,259**	7,366	7,366

	April 30, 2017			***January 31, 2017***		
	Carrying Value FVTPL $	***Carrying Value Other financial liabilities $***	***Fair Value $***	***Carrying Value FVTPL $***	***Carrying Value Other financial liabilities $***	***Fair Value $***
Financial Liabilities						
Accounts payable and accrued liabilities	**-**	**662,871**	**662,871**	-	800,311	800,311
Operating loan	**-**	**-**	**-**	-	879,850	879,850
Convertible loan	**-**	**532,686**	**532,686**	-	-	-
Class A shares liability	**429,334**	**-**	**429,334**	333,334	-	334,334
	429,334	**1,195,557**	**1,624,891**	333,334	1,680,161	2,013,495

9. Financial Instruments *(Continued from previous page)*

The Corporation's has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies. The carrying values of current monetary assets and liabilities fair value of these financial instruments approximated their fair values due to their relatively short periods to maturity.

IFRS 13 Fair Value Measurement, establishes a fair value hierarchy that reflects the significance of the inputs used in measuring fair value. The fair value hierarchy of financial instruments measured at fair value on the Statements of Financial position as at April 30, 2017 is as follows:

	Level 1 ***$***	***Level 2*** ***$***	***Level 3*** ***$***
Financial Assets			
Cash	**339,259**	**-**	-
Financial Liabilities			
Class A shares liability	**-**	**-**	**429,334**

The fair value hierarchy of financial instruments measured at fair value on the Statements of Financial position as at January 31, 2017 is as follows:

	Level 1 ***$***	***Level 2*** ***$***	***Level 3*** ***$***
Financial Assets			
Cash	7,366	-	-
Financial Liabilities			
Class A shares liability	-	-	333,334

The fair value of financial assets and liabilities not traded in active markets that are based on unobservable inputs are classified as Level 3. A fair value measurement developed using a present value technique might be categorized within Level 3, depending on the inputs that are significant to the entire measurement and the level of the fair value hierarchy within which those inputs are categorized. If an observable input requires an adjustment using an unobservable input and that adjustment results in a significantly higher or lower fair value measurement, the resulting measurement would be categorized within Level 3 of the fair value hierarchy. The Corporation's Level 3 investments consist of Class A shares presented as a liability as describe in Note 6. As at April 30, 2017, the fair value of this liability was determined to be at $429,334 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 on April 27, 2017.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Corporation determines whether transfers have occurred between levels in the hierarchy by assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of reporting period. During the periods ended April 30, 2017 and January 31, 2017, there were no transfer between Levels 1, 2 and 3 of the fair value hierarchy.

10. 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.

(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 unpaid amount on the research contract at the end of each month at a fixed rate and its operating loan negotiated at a fixed rate.

10. Financial Risk Factors *(Continued from previous page)*

(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:

April 30, 2017	***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	**662,871**	**24,179**	**340,568**	**298,124**	**-**
Convertible debenture	**534,186**	**-**	**-**	**-**	**534,187**
Class A shares liability	**429,334**	**-**	**-**	**-**	**429,334**
	1,624,891	**24,179**	**340,568**	**298,124**	**963,521**

January 31, 2017	***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	800,311	18,992	109,460	671,859	-
Operating loan	879,850	-	-	879,850	-
Class A shares liability	333,334	-	-	-	333,334
	2,013,495	18,992	109,460	1,551,709	333,334

(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, warrants 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.

11. Related Party Transactions

The following table presents the related parties transactions presented in the statement of Loss for the year ended:

	April 30, 2017 $	***April 30, 2016 $***
Transactions with key management and members of the Board of Directors:		
Salaries and expense for employee benefits	**41,454**	102,132
Share-based compensation to employees and directors	**5,656**	40,463
Consulting fees charged by a director and acting CEO	**45,000**	**-**
Consulting fees accrued for a director and acting CEO	**13,000**	**-**
Transactions with Manitex, a shareholder of the Corporation:		
Interest charged by	**18,837**	4,756
Consulting fees charge by	**8,100**	-
Transaction with Polytechnique, a partner of Polyvalor :		
Interest accrued for	**9,187**	-
Research expenses	**52,500**	87,500

11. Related Party Transactions *(Continued from previous page)*

The remuneration of key management, which include the Vice-President Finance and Chief Financial Officer and for the comparative period the former President and CEO only

The following table presents the related parties transactions presented in the statement of financial position as at :

	April 30, 2017 $	***January 31, 2017 $***
Accounts payable and accrued liabilities due to a director and acting CEO	**18,216**	10,000
Accounts payable and accrued liabilities due to Manitex a shareholder of the Corporation	**224,737**	191,371
Accounts payable and accrued liabilities due to Polytechnique, a partner of Polyvalor	**348,068**	385,882
Transaction with Polytechnique, a partner of Polyvalor :		
Amounts included in Development costs	**122,500**	490,000
Transaction with Polyvalor, holder of 1,073,333 common shares:		
Amounts included in Intellectual Property	**136,410**	35,000

12. 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

   ii) Agreement 2: $23,333.33 monthly for 36 months for a total of $840,000.

   iii) Agreement 3: $17,500 monthly for 36 months for a total of $630,000.

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

In the event that the Corporation is in breach of any of the Agreements, these agreements 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.

The following table presents the minimum obligations due over the next two years are as follows:

	Research agreement $
2018	700,000
2019	58,329
	758,329

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