

# **ORTHO REGENERATIVE TECHNOLOGIES INC.**

## **MANAGEMENT INFORMATION CIRCULAR**

**FOR THE**

**ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON JULY 12, 2018**

**June 5, 2018**

*These materials are important and require your immediate attention. They require shareholders of Ortho Regenerative Technologies Inc. to make important decisions. If you are in doubt as to how to deal with these materials or the matters they describe, please contact your financial, legal, tax or other professional advisors.*

# ORTHO REGENERATIVE TECHNOLOGIES INC.

## MANAGEMENT INFORMATION CIRCULAR (the "Circular")

### INTRODUCTION

This Management Information Circular is being furnished in connection with the solicitation of proxies by and on behalf of the management of Ortho Regenerative Technologies Inc. (the "Corporation") for use at the Annual General Meeting of shareholders of the Corporation (the "Meeting"), and any adjournment(s) or postponement(s) thereof, to be held in Kirkland, Quebec, on July 12, 2018 at 4:00 p.m. (Montreal time), for the purposes set forth in the Notice of Meeting accompanying this Management Information Circular. Information contained in this Circular is given as of June 5, 2018 unless otherwise specifically stated.

### SOLICITATION OF PROXIES

The solicitation of proxies will be primarily by mail. However, the directors, senior executives and regular employees of the Corporation may also solicit proxies by telephone, electronic means or in person, such persons receiving no compensation. Banks, brokerage houses and other custodians, nominees or fiduciaries will be requested to forward the soliciting material to their principals and to obtain authorization for the execution of proxies. All costs of solicitation by management will be borne by the Corporation.

All references to "shareholders" or "you" in this Circular are to registered shareholders unless specifically stated otherwise.

### INFORMATION CONCERNING VOTING AT THE MEETING

#### Your Vote is Important

As a holder of Class "A" shares ("**Shares**") of the Corporation, it is very important that you read the following information on how to vote your Shares, either by proxy or in person at the Meeting. These materials are being sent to both our registered and non-registered shareholders. Please return your proxy as specified in this Circular and in the form of proxy.

#### Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the "**Proxy**") are officers and/or directors of the Corporation. **If you are a Shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than any of the persons designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

#### Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Shares represented by the Proxy for the approval of such matter.**

## Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders may choose one of the following options to submit their proxy:

- (a) completing, dating and signing the proxy and returning it to the Corporation's transfer agent, Computershare Trust Corporation of Canada ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;
- (b) using a touch-tone phone to transmit voting choices to a toll-free number. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll-free number, the holder's account number and the control number; or
- (c) using the internet through the website of the Corporation's transfer agent at [www.investorvote.com](http://www.investorvote.com). Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the control number.

In all cases the Registered Shareholder must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting, or the adjournment thereof, at which the proxy is to be used.

## Beneficial Shareholders

**The following information is of significant importance to Shareholders who do not hold Shares in their own name.** Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Corporation as the registered holders of Shares) or as set out in the following disclosure.

If Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States (the "**U.S.**"), under the name of Cede & Co. as nominee for The Depository Trust Corporation (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the Proxy provided to Registered Shareholders by the Corporation. However, its purpose is limited to instructing the intermediary on how to vote your Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada and in the U.S. Broadridge mails a voting instruction form (a "**VIF**") in lieu of a Proxy provided by the Corporation. The VIF will name the same persons as the Corporation's Proxy to represent your Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Corporation), other than any of the persons designated in the VIF to represent your Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you), in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting voting of Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with Broadridge's instructions, well in advance of the Meeting in order to have the Shares voted at the Meeting, or to have an alternate representative duly appointed to attend the Meeting and vote your Shares.**

## Notice to United States Shareholders

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of Canada and securities laws of the provinces of Canada and is not subject to the requirements of Section 14(a) of the U.S. Exchange Act by virtue of an exemption applicable to proxy solicitations by foreign private issuers as defined in Rule 3b-4 of the U.S. Exchange Act. Accordingly, this Circular has been prepared in accordance with applicable Canadian disclosure requirements. Residents of the U.S. should be aware that such requirements differ from those of the United States applicable to proxy statements under the U.S. Exchange Act.

This document does not address any income tax consequences of the disposition of the Corporation shares by Shareholders. Shareholders in a jurisdiction outside of Canada should be aware that the disposition of shares by them may have tax consequences both in those jurisdictions and in Canada, and are urged to consult their tax advisors with respect to their particular circumstances and the tax considerations applicable to them.

Any information concerning any properties and operations of the Corporation has been prepared in accordance with Canadian standards under applicable Canadian securities laws, and may not be comparable to similar information for U.S. companies.

Financial statements included or incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board, and are subject to auditing and auditor independence standards in Canada. Such consequences for the Shareholders who are resident in, or citizens of, the U.S. may not be described fully in this Circular.

The enforcement by the Shareholders of civil liabilities under the U.S. federal securities laws may be affected adversely by the fact that the Corporation is incorporated or organized under the laws of a foreign country, that some or all of their officers and directors and the experts named herein are residents of a foreign country and that the major assets of the Corporation are located outside the U.S.

## REVOCATION OF PROXIES

A shareholder may revoke a proxy:

- (a) by depositing an instrument in writing executed by the shareholder or by an attorney authorized in writing,
  - (i) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or
  - (ii) with the chair of the Meeting on the day of the Meeting or an adjournment thereof; or
- (b) in any other manner permitted by law.

## RECORD DATE

Shareholders registered as at June 12, 2018 (the "**Record Date**"), are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the proxy to attend in vote, deliver their proxies at the place and within the time set forth in the Meeting Materials.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As of June 5, 2018 there are 24,262,424 Class "A" shares ("**Shares**") of the Corporation issued and outstanding. These Shares were issued without par value. The Shares are the only shares carrying the right to vote and the holders thereof are entitled to one vote per Share. The record date to determine the shareholders entitled to receive the Notice of Meeting and to vote at the meeting is June 12, 2018 (the "**Record Date**").

In accordance with the provisions of the *Canada Business Corporations Act*, the Corporation will prepare a list of holders of Shares on the Record Date. Each holder of Shares named in the list will be entitled to vote the shares shown opposite his or her name on the list at the Meeting, except to the extent that:

- (a) the shareholder has transferred any of his or her Shares after the Record Date; and

- (b) the transferee of those Shares produces properly endorsed certificates evidencing the share transfer or otherwise establishes that he or she owns such Shares and demands, not later than the time at which the Meeting commences, that his or her name be included on the list, in which case the transferee is entitled to vote his or her Shares at the Meeting.

To the knowledge of the Management of the Corporation, the only person who exercises control over 10% or more of the Shares of the Corporation as at June 5, 2018, is the following:

<u>Name</u>	<u>Number of Shares held</u>	<u>Percentage</u>
Manitex Capital Inc.	4,808,726	19.81%

## PRESENTATION OF FINANCIAL STATEMENTS

The audited annual financial statements of the Corporation for the fiscal year ended January 31, 2018 together with the auditors' report thereon, will be placed before the Meeting. The annual financial statements of the Corporation were mailed to shareholders who requested to receive them and are also available on SEDAR at [www.sedar.com](http://www.sedar.com). Additional copies of the audited annual financial statements for the fiscal year ended January 31, 2018 may be obtained from the Corporation upon request and will be available at the Meeting. **Shareholder approval is not required in relation to the financial statements.**

## ELECTION OF DIRECTORS

**Unless otherwise specified, the persons named in the accompanying form of proxy intend to vote for the election of six nominees whose names are set forth in the table below.** The six (6) nominees are currently members of the Board of Directors and have been since the dates indicated. If, prior to the Meeting, any of the proposed nominees whose names are set out below should for some reason become unable or unwilling to serve as director, it is intended that the persons named in the accompanying form of proxy shall be entitled to vote for any other nominees at their discretion. Management is not aware that any of the nominees will be unwilling or unable to serve as a director.

Each director elected will hold office until the next annual meeting of shareholders or until his successor is duly elected or appointed. The following table and the notes thereto state the names of all persons proposed to be nominated for election as directors, other positions and offices with the Corporation, their principal occupations or employments, their periods of service as directors of the Corporation and the approximate number of Shares of the Corporation beneficially owned or controlled by each of them as of June 5, 2018.

**In the absence of instructions to the contrary, the persons named in the enclosed proxy form will vote the Class "A" shares represented thereby FOR the election of the six nominees of management listed in the following table.**

### Information Concerning Management's Nominees for Directorship

<b>Name, Province and Country of Residence</b>	<b>Position with the Corporation</b>	<b>Director since</b>	<b>Principal Occupation During the Past Five Years</b>	<b>Shares Beneficially Owned or Controlled</b>
Steven Saviuk <sup>(1)</sup> Beaconsfield, QC, Canada  <b>(Non-Independent)</b>	Director	February 5, 2015	President and Chief Executive Officer of Manitex Capital Inc.  President and Chief Executive Officer of Valeo Pharma Inc.	5,413,204 <sup>(2)</sup>
Prof. Michael Buschmann Vienna, MD, USA  <b>(Non-Independent)</b>	Director, Chief Scientific Officer	February 5, 2015	Chair, Dept. of Bioengineering, Volgenau School of Engineering, George Mason University <i>(Maryland, USA)</i>  Professor at <i>Polytechnique Montréal (1994-2017)</i>	2,105,222

Name, Province and Country of Residence	Position with the Corporation	Director since	Principal Occupation During the Past Five Years	Shares Beneficially Owned or Controlled
Prof. Caroline Hoemann Vienna, MD, USA  <b>(Non-Independent)</b>	Director	April 30, 2015	Professor, Dept. of Bioengineering, Volgenau School of Engineering, George Mason University (Maryland, USA)  Professor at <i>Polytechnique Montréal</i>	1,625,167
Sharon M. Ludlow <sup>(1)</sup> Toronto, ON, Canada  <b>(Independent)</b>	Director	January 8, 2018	Head, Insurance Investment Strategy, OMERS  President, Aviva Insurance Corporation of Canada	Nil
Tom E.S. Wright <sup>(1)</sup> Toronto, ON, Canada  <b>(Independent)</b>	Director	September 26, 2017	Founder and President of S10 Management Group  Executive Vice-President and General Manager at Ultimate Fighting Championship (Canada, Australia and New Zealand)	100,000
Dr. Brent Norton Toronto, Ont., Canada  <b>(Non-Independent)</b>	Director, Executive Chairman and Chief Executive Officer	July 26, 2016	Executive Chairman and CEO of the Corporation  Venture Partner at Lumira Capital  President and CEO at MedCurrent Inc.	392,500

(1) Member of the Audit Committee

(2) Mr. Saviuk personally owns 87,265 Class "A" shares and Simcor Canada Inc., a company controlled by Mr. Saviuk holds 517,213 Class "A" shares. Mr. Saviuk indirectly controls Manitex Capital Inc. which holds 4,808,726 Class "A" shares.

The Corporation has no direct information concerning the number of Shares beneficially owned by the nominees or concerning the number of Shares over which such persons exercise control or discretion. The information was provided to us by the nominees individually.

The following are brief biographies of each of the nominees for Director:

**Steven Saviuk - Director**

Mr. Saviuk graduated from Concordia University (B.Comm) and started his career in accounting at KPMG. He quickly moved to venture capital investing through Manitex Capital Inc., a company he co-founded over 30 years ago, and which still actively invests in emerging companies with a focus on the life science, renewable energy and sustainable resource sectors. He also co-founded Valeo Pharma in 2003 and has since served as its President and CEO. Mr. Saviuk transformed Valeo Pharma from its early years as an in-licensor of established brands to a fast growing full service Canadian pharmaceutical company and was also instrumental in the sale of certain assets to Valeant Canada. In addition to Mr. Saviuk's executive management experience, he is well acquainted with key corporate governance issues having served on numerous boards of both public and private companies.

**Michael Buschmann – Director, Corporate Secretary and Chief Scientific Officer**

Michael Buschmann is a director and Chief Scientific Officer of the Corporation since February 5, 2015 and is currently Head of the Department of Bioengineering at the Volgenau School of Engineering of George Mason University since August 2017. He was a Professor at *Polytechnique Montréal* from June 1994 to August 2018. 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. From 1994 to

2017, 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 and is currently a Professor at the Volgenau School of Engineering of George Mason University since August 2017. She is also a Professor of the Department of Chemical and Biomedical Engineering and Institute of Biomedical Engineering at *Polytechnique Montréal* since October 2005. Professor Hoemann has a M.Sc. in Applied Biology and a PhD in Toxicology from MIT as well as a B.A. in Biochemistry from the University of California at San Diego. She is a principal investigator of a research program that investigates the use of biomaterials to guide bone and cartilage regeneration.

***Sharon M. Ludlow - Director***

Ms. Ludlow has an accomplished history of executive management success in the Life & Health and Property & Casualty insurance industries. She currently serves as Head, Insurance Investment Strategy for OMERS, the pension plan for Ontario municipal employees. With almost \$100 billion in assets, OMERS is one of Canada's largest pension plans. Previously, Ms. Ludlow held senior executive roles with Aviva Insurance Company of Canada, Swiss Re Canada, Liberty International Underwriters Canada, Canada Life Financial and Kanetix. Among her many accomplishments, she played a key role in Canada Life's demutualization and IPO and helped launch Canada's first online insurance market place while working with Kanetix. Ms. Ludlow is a Chartered Professional Accountant, a Chartered Accountant, a holder of the Institute of Corporate Directors Director designation and holds a Fellow, Life Management Institute designation. She has extensive Board experience, serving as a Director of companies, industry associations and non-profit organizations. Currently, Ms. Ludlow is a Director of Green Shield Canada. Previously, she has been a Director of the Insurance Bureau of Canada, the Canadian Life & Health Insurance Association the Institute for Catastrophic Loss Reduction, the Canadian Life & Health Insurance Association, and the Reinsurance Research Council.

***Tom E.S. Wright – Director***

Mr. Wright has an accomplished history of success in the North American, Australian and New Zealand sports and entertainment industry. In a career spanning more than 35 years, he has led organizations and inspired teams representing world-class brands, including Ultimate Fighting Championship, Canadian Football League, adidas, Salomon, Taylor Made and Spalding. His expertise includes business strategy development and implementation, general management, sales and marketing, corporate and product branding, operations and governance. Mr. Wright has also been significantly involved with the community, serving as a volunteer with Special Olympics Canada for more than 30 years, including as the organization's National Board Chairman from 2004 to 2007. Mr. Wright is a graduate of the University of Toronto with a Bachelor of Physical and Health Education, and holds a Masters of Business Administration from the Schulich School of Business, York University. Mr. Wright is also a graduate of the Institute of Corporate Directors, Directors Education Program at the Rotman School of Management obtaining his ICD.D in 2017.

***Brent Norton – Director, Executive Chairman of the Board and Chief Executive Officer***

Brent Norton is a director of the Corporation since July 26, 2017 and the Executive Chairman and acting Chief Executive Officer of the Corporation since October 14, 2016. Dr. Norton is a leader in the Life Science industry with operational and Director experience across several successful enterprises which achieved significant multiples for investors. Dr. Norton founded PreMD, completing IPO's and listings on both TSX and AMEX. Operationally, he has built R&D and commercial operations, led transactions with AstraZeneca, Atherogenics, Eli Lilly, L'Oreal, Parke Davis/Pfizer, etc., and taken products through the FDA to global out-licensing with Johnson & Johnson. He was a founding Director of Novadaq Technologies (TSX:NDQ, NASDAQ:NVDQ), one of Canada's most valuable medical companies which was sold to Stryker Corporation in 2017. Dr. Norton has been an active member of several BOD's, public and private, in both Canada and the US. He is a director of Aeterna Zentaris Inc. (TSX: AEZS, NASDAQ: AEZS), a director of Alpine Ontario, an Advisory BOD member for the Ivey International Centre for Health Innovation, a CAMH Research Committee Member and Past-President and Director of the Osler Bluff Ski Club.

To the knowledge of the Corporation, none of the foregoing nominees for election as a director:

- (a) is, or within the last ten years has been, a director, chief executive officer or chief financial officer of any company that:

- (i) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an "**Order**"), which Order was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
- (ii) was subject to an Order that was issued after the proposed 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 of such company; or
- (b) is, or within the last ten years has been, a director or executive officer of any company that, while the proposed director 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, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the last ten years, 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 his assets.

In addition, except as disclosed below, none of the foregoing nominees for election as director of the Corporation has been subject to:

- (a) 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
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

All of the above persons have held various positions in the above-mentioned companies or in subsidiaries, related or predecessor companies for the past five years.

Steven Saviuk 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.

## **COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS**

### **Summary Compensation**

During the fiscal year ended January 31, 2018, compensation and benefits of \$446,792 were paid to or earned by the individuals who served respectively as President and Chief Executive Officer, Executive Chairman and Chief Executive Officer and Vice-President Finance and Chief Financial Officer. During this period, no other compensation was paid to the individuals who served as Chief Scientific 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 (\$)
Dr. Brent Norton	2018	\$281,250	nil	nil	nil	nil	\$281,250 <sup>(1)</sup>
Director, Executive Chairman of the Board and acting Chief Executive Officer	2017	\$92,625	nil	nil	nil	nil	\$92,625 <sup>(1)</sup>
Jo-Anne Mainguy-Piché, CPA, CGA	2018	\$147,500	\$18,042	nil	nil	nil	\$165,542 <sup>(2)</sup>
Vice-President Finance and Chief Financial Officer	2017	\$95,604	nil	nil	nil	nil	\$95,624 <sup>(2)</sup>

(1) Dr. Norton became Executive Chairman and acting Chief Executive Officer of the Corporation on October 15, 2016.

(2) Ms. Mainguy-Piché became Vice-President Finance and Chief Financial Officer of the Corporation on June 23, 2016.

#### Share Option Grants

As of the date hereof there are 1,600,000 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 once the number of issued and outstanding Shares. 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
Dr. Brent Norton Executive Chairman and acting Chief Executive Officer	Share options	100,000 (100,000 Class A Shares) (0.4% on a fully diluted basis)	June 23, 2016	\$0.50	June 23, 2021
		600,000 (600,000 Class A Shares) (2.5% on a fully diluted basis)	May 17, 2017	\$0.50	May 17, 2022
Jo-Anne Mainguy-Piché Vice-President Finance and Chief Financial Officer	Share options	100,000 (100,000 Class A Shares) (0.4% on a fully diluted basis)	June 23, 2016	\$0.50	June 23, 2021
Laurence Terisse-Rulleau Director	Share Options	100,000 <sup>(1)</sup> (100,000 Class A Shares) (0.4% on a fully diluted basis)	July 21, 2016	\$0.10	July 21, 2021
Tom E.S Wright Director	Share Options	100,000 (100,000 Class A Shares) (0.4% on a fully diluted basis)	September 26, 2017	\$0.50	September 26, 2022
Sharon M. Ludlow Director	Share Options	100,000 (100,000 Class A Shares) (0.4% on a fully diluted basis)	January 8, 2018	\$0.55	January 8, 2023

<sup>(1)</sup> Ms. Terisse-Rulleau resigned from her position as director of the Corporation on January 8, 2018. In April 2018, she exercised 25,000 options which were vested and released from escrow. The remaining 75,000 share options which were still under escrow were cancelled.

### Compensation Discussion and Analysis

The Corporation's compensation policies and programs are designed to recognize and reward executive performance consistent with the success of the Corporation's business. These policies and programs are 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 considers 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 assumes 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.

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 Executive Compensation**

The compensation paid to Named Executive Officers is comprised of three main components: base salary, annual incentives (bonuses) and long-term incentives, in the form of stock options granted pursuant to the Stock Option Plan. The following discussion describes the components of compensation and discusses how each component relates to the Corporation's overall executive compensation objective. The Corporation believes that:

- o base salaries provide an immediate cash incentive for the Corporation's Named Executive Officers and should be at levels competitive with peer companies that compete with the Corporation for business opportunities and executive talent; and
- o stock options ensure that the Named Executive Officers are motivated to achieve long-term growth of the Corporation and increases in shareholder value, and provide capital accumulation linked directly to the Corporation's performance.

The Corporation places equal emphasis on base salary and stock options as short-term and long-term incentives, respectively.

### **Base Salaries**

The Named Executive Officers receive a base salary which is based primarily on the level of responsibility of the position, the qualifications and experience of the officer and market conditions.

The base salaries of the Named Executive Officers are reviewed annually to ensure that they take into account the following factors: market and economic conditions, levels of responsibility and accountability of each Named Executive Officer, skill and competencies of each individual, retention considerations, and level of demonstrated performance.

Base salaries, including that of the Chief Executive Officer and of the Chief Financial Officer, are reviewed by the Compensation Committee on the basis of its opinion as to a fair and responsible compensation package, taking into account the contribution of the Chief Executive Officer to the Corporation's long-term growth and the knowledge of the members of the Board of Directors with respect to remuneration practices in Canada.

## **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, in connection with their position as 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. There are currently no other employment contracts.

## **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**

Ernst & Young LLP is the auditor of the Corporation since their appointment by the Board on September 12, 2017 following the resignation of the previous auditors, MNP LLP. At the Meeting, Shareholders will be asked to approve the following resolution:

*"Be it resolved that Ernst & Young LLP be appointed as external auditors for the Corporation for the ensuing year or until their successor is appointed and that the directors be authorized to fix their remuneration."*

**The Corporation's management recommends that Shareholders vote in favour of the proposed auditors. In the absence of instructions to the contrary, the persons named in the enclosed proxy form will vote the Class "A" shares represented thereby FOR of the appointment of Ernst & Young LLP as auditors of the Corporation for the ensuing year.**

## **AUDIT COMMITTEE**

### **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 Circular as Schedule A.

## Composition of the Audit Committee

The members of the audit committee are Steven Saviuk, Tom E.S. Wright and Sharon M. Ludlow who is the Chair of the Audit Committee. Ms. Ludlow and Mr. Wright 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 a degree in commerce and started his career in accounting at KPMG. In addition, Mr. Saviuk has extensive experience in analyzing financial statements as director and officer of various public companies; Ms. Ludlow is a Chartered Professional Accountant, a Chartered Accountant, a holder of the Institute of Corporate Directors Director designation and holds a Fellow, Life Management Institute designation. She has extensive Board experience, serving as a Director of companies, industry associations and non-profit organizations; Mr. Wright holds a Masters of Business Administration and is also a graduate of the Institute of Corporate Directors, Directors Education Program. The members of the audit committee 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

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. 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.

## External Auditor Fees

The table below sets out the fees incurred by the Corporation for the fiscal year ended January 31, 2017:

	For the fiscal year ended January 31, 2018
Audit Fees <sup>(1)</sup>	\$33,600
Tax Fees <sup>(2)</sup>	nil
All other fees <sup>(3)</sup>	\$7,938
<b>Total</b>	<b>\$41,538</b>

- (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.

## 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 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

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 Corporation.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”) the Corporation 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 he or she is not a member of the issuer’s management or if he or she (or a family member) has not been a member of the issuer’s management for the past three (3) years, and the Board determines that he or she has no direct or indirect material relationship with the issuer. The Board has determined that Sharon M. Ludlow and Tom E.S. Wright are “independent”. There are four “non-independent” directors, namely Steven Saviuk, previously Executive Chairman and Chief Executive Officer of the Corporation, Dr. Brent Norton, the current Executive Chairman and Chief Executive Officer of the Corporation, Michael Buschmann, 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

The directors or director nominee of the Corporation who are currently serving on boards of other reporting companies (or equivalent) is set out below:

Name	Name of Reporting Issuer	Exchange
Steven Saviuk	Manitex Capital Inc. Earth Alive Clean Technologies Inc.	TSX-V CSE
Dr. Brent Norton	Aeterna Zentaris Inc.	TSX

### 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 assumes the responsibility of, and determines 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 audit committee charter, attached to this Circular as Schedule A.

## **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 Management Information Circular.

## **Assessments**

Neither the Corporation 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.

## **SHAREHOLDER PROPOSALS**

The Canada Business Corporations Act provides, in effect, that a registered holder or Beneficial Shareholder of shares that is entitled to vote at an annual meeting of the Corporation may submit to the Corporation notice of any matter that the person proposes to raise at the meeting (referred to as a "**Proposal**") and discuss at the Meeting any matter in respect of which the person would have been entitled to submit a Proposal. The Canada Business Corporations Act further provides, in effect, that the Corporation must set out the Proposal in its management proxy circular along with, if so requested by the person who makes the Proposal, a statement in support of the Proposal by such person. However, the Corporation will not be required to set out the Proposal in its management proxy circular or include a supporting statement if among other things, the Proposal is not submitted to the Corporation at least 90 days before the anniversary date of the notice of meeting that was sent to the shareholders in connection with the previous annual meeting of shareholders of the Corporation.

The foregoing is a summary only; shareholders should carefully review the provisions of the Canada Business Corporations Act relating to Proposals and consult with a legal advisor.

## **ADDITIONAL INFORMATION**

Financial information about the Corporation is contained in its comparative financial statements and Management's Discussion and Analysis for the fiscal year ended January 31, 2018, and additional information about the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com).

If you would like to obtain, at no cost to you, a copy of any of the following documents:

- (a) the financial statements of the Corporation for the fiscal year ended January 31, 2018, together with the accompanying report of the auditors thereon and any interim financial statements of the Corporation for

periods subsequent to January 31, 2018 and Management's Discussion and Analysis with respect thereto;  
and

(b) the Management Information Circular,

Please send your request to:

**Ortho Regenerative Technologies Inc.**

16667, Hymus Blvd  
Kirkland, Québec H9H 4R9  
Telephone: 514 693-8844  
Telecopier: 514 694-0443  
[E-mail: piche@orthrti.com](mailto:piche@orthrti.com)

### **Directors' Approval**

The Board of Directors of the Corporation has approved the content and sending of this Management Information Circular.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*Brent Norton*"

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Brent Norton  
Executive Chairman and Chief Executive Officer



## **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 Chair 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 Corporation 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.