

**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

**Item 1 Name and Address of Company**

ORTHO REGENERATIVE TECHNOLOGIES INC.

**Item 2 Date of Material Change**

October 9, 2019

**Item 3 News Release**

Ortho Regenerative Technologies Inc. ("Ortho RTI" or the "Corporation") issued a press release on October 9, 2019 in Kirkland, Quebec, Canada that was disseminated by CNW. A copy of the news release is attached hereto as Schedule A".

**Item 4 Summary of Material Change**

Ortho RTI announced today that it has closed a non-brokered \$1.6 million private placement of convertible debenture units (the "Private Placement") consisting of \$750,000 of subscriptions and \$894,000 from conversion of loans from Manitex Capital Inc.

**Item 5 Full Description of Material Change**

For a full description of the material change, see the press release attached as Schedule A".

**Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7 Omitted Information**

Not applicable.

**Item 8 Executive Officer**

Guy Paul Allard  
VP Legal Affairs and Corporate Secretary  
[allard@orthorti.com](mailto:allard@orthorti.com) or Telephone: 514-693-8832

**Item 9 Date of Report**

October 9, 2019

**SCHEDULE A**  
**PRESS RELEASE**



**PRESS RELEASE**

**FOR IMMEDIATE DISCLOSURE**

**ORTHO REGENERATIVE CLOSSES \$1.6 MILLION PRIVATE  
PLACEMENT**

- **\$750,000 of subscriptions closed into private placement of convertible debenture units**
  
- **\$894,000 conversion of loans from Manitex Capital Inc. into private placement of convertible debenture units**

Montreal, QC, October 9, 2019 – [Ortho Regenerative Technologies Inc.](#) (CSE: ORTH) (“**Ortho RTI**” or the “**Company**”), an emerging Orthobiologics company, announced today that it has closed a non-brokered \$1.6 million private placement of convertible debenture units (the “**Private Placement**”) consisting of \$750,000 of subscriptions and \$894,000 from conversion of loans from Manitex Capital Inc.

The Company issued 1,644 unsecured convertible debenture units (the “**Units**”) at a purchase price of \$1,000 per Unit for gross proceeds of \$1,644,000. Each Unit consist of one 10% unsecured convertible debenture for a principal amount of \$1,000 (each, a “**Debenture**”) convertible at a \$0.30 price per Class “A” share of the Company (“**Common Share**”) and 2,000 Common Share purchase warrants (each, a “**Warrant**”), with an exercise price of \$0.50 (“**Exercise Price**”), representing a 60% warrant coverage. The Warrants will automatically convert into Common Shares of the Company at the Exercise Price in the event that the volume weighted average price over any 20 consecutive trading days is greater or equal to \$1.00. Both the Debentures and the Warrants have a maturity date of October 8, 2021.

The net proceeds from the Private Placement will be used to fund activities associated with the FDA investigational new drug (“IND”) submission for testing Ortho-R for Rotator Cuff Tear Repair in humans, and for general corporate purposes. The securities issued under the Private Placement will be subject to a four-month hold period in accordance with applicable securities legislation. The Company has paid \$6,300 as finder's fees and issued 21,000 finder's warrants to arm's-length parties in connection with the Private Placement, in compliance with applicable securities laws. No other broker or agent was involved in the transaction.

Manitex Capital Inc., the Company's principal shareholder, participated in the Private Placement by converting loans owed by the Company for an aggregate amount of \$894,000. The Chief Executive Officer, the Senior Vice-President and Chief Financial Officer, one independent director and three senior staff members all participated in the Private Placement for an aggregate amount of \$420,000.

Participation of insiders of the Company in the Private Placement constitutes a “related party transaction” as defined under *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions* (“**Regulation 61-101**”). The Company intends to rely on exemptions from the formal valuation and minority shareholder approval requirements provided under sections 5.5(a) and 5.7(a) of Regulation 61-101 on the basis that participation in the Private Placement by insiders will not exceed 25% of the fair market value of the Company's market capitalization and also because the Company's Common Shares trade only on the Canadian Securities Exchange (CSE). A material change report was not filed in connection with the participation of the insiders in at least 21 days in advance of the closing of the Convertible Debentures, which the Company deemed reasonable in the circumstances, in order to close the transaction as soon as practicable to enable it to use the funds.

### **About Ortho Regenerative Technologies Inc.**

Ortho RTI is an emerging Orthobiologics company dedicated to the development of novel therapeutic soft tissue repair technologies to dramatically improve the success rate of orthopedic and sports medicine surgeries. Our proprietary RESTORE technology platform, is a muco-adhesive CHITOSAN based biopolymer matrix, specifically designed to deliver biologics such as Platelet-Rich Plasma (PRP) or Bone Marrow Aspirate Concentrate (BMAC), to augment and guide the regeneration of new tissue in various musculoskeletal conditions. Ortho-R, our lead Chitosan-PRP hybrid biologic implant product, is formulated and designed to increase the healing rates of occupational and sports related injuries to tendons, meniscus and ligaments. Other formulations are being developed for cartilage repair, bone void filling and osteoarthritis treatment. The polymer-biologics hybrid combination can be directly applied into the site of injury by a surgeon during a routine operative procedure without significantly extending the time of the surgery and without further intervention. An Ortho-R Rotator Cuff Tear Repair Phase I/II clinical trial is planned with an FDA IND submission in the first quarter of the 2020. Considering the significant bioactivity and residency properties of our proprietary biopolymer, Ortho RTI continues to assess its potential for therapeutic uses outside of the soft tissue repair field. Further information about Ortho RTI is available on the Company's website at [www.orthorti.com](http://www.orthorti.com) and on SEDAR at [www.sedar.com](http://www.sedar.com). Also follow us on LinkedIn and Twitter.

### **Forward-Looking Statements**

This news release may contain certain forward-looking statements regarding the Company's expectations for future events. Such expectations are based on certain assumptions that are founded on currently available information. If these assumptions prove incorrect, actual results may differ materially from those contemplated by the forward-looking statements contained in this press release. Factors that could cause actual results to differ include, amongst others, uncertainty as to the final result and other risks. The Company disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by security laws.

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATIONS SERVICES PROVIDER HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

### **For further information, please contact:**

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