UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of February, 2019.

Commission File Number: **001-38524**

Titan Medical Inc.

(Exact Name of Registrant as Specified in Charter)

170 University Avenue, Suite 1000
Toronto, Ontario M5H 3B3
Canada
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.
Form 20-F ☐ Form 40-F ☒

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):____

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ____

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TITAN MEDICAL INC.
(Registrant)

Date: [February 14, 2019]

By: */s/ Stephen Randall*
Name: Stephen Randall
Title: Chief Financial Officer

EXHIBIT INDEX

99.1	Audited Annual Financial Statements 2018
99.2	MD&A 2018
99.3	CEO Certification of Annual Filings 2018
99.4	CFO Certification of Annual Filings 2018

TITAN MEDICAL INC.
Financial Statements
Years Ended December 31, 2018 and 2017

(IN UNITED STATES DOLLARS)

Tel: 416 865 0200
Fax: 416 865 0887
www.bdo.ca

BDO Canada LLP
222 Bay Street
Suite 2200, PO Box 131
Toronto ON M5K 1H1 Canada

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of Titan Medical Inc.

Opinion on the Financial Statements

We have audited the accompanying financial statements of Titan Medical Inc. (the "Company"), which comprise the balance sheet as of December 31, 2018, the related statements of changes in shareholders' equity and deficit, net and comprehensive loss, and cash flow for the year ended December 31, 2018, and the related notes including a summary of significant accounting policies and other explanatory information (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2018, and the results of their operations and their cash flows for the year ended December 31, 2018**,** in conformity with International Financial Reporting Standards (IFRSs) as issued by International Accounting Standards Board ("IASB").

Going Concern Uncertainty

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. Further, we are required to be independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and to fulfill our other ethical responsibilities in accordance with these requirements.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

(signed) BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
February 13, 2019

We have served as the Company's auditor since 2010.

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Tel: 416 865 0200
Fax: 416 865 0887
www.bdo.ca

BDO Canada LLP
222 Bay Street
Suite 2200, PO Box 131
Toronto ON M5K 1H1 Canada

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Titan Medical Inc.

We have audited the accompanying financial statements of Titan Medical Inc., which comprise the balance sheet as at December 31, 2017 and the statements of shareholders' equity and deficit, net and comprehensive loss and cash flows for the year ended December 31, 2017 and a summary of significant accounting policies and other explanatory information.

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

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

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

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

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Titan Medical Inc. as at December 31, 2017 and its financial performance and its cash flows for the year ended December 31, 2017 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

(signed) BDO Canada LLP

Chartered Accountants, Licensed Public Accountants

Toronto, Ontario
February 13, 2018

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

TITAN MEDICAL INC.
Balance Sheets
As at December 31, 2018 and December 31, 2017
(In U.S Dollars)

	Note	December 31, 2018	December 31, 2017
Assets			
Current Assets:			
Cash and cash equivalents		$ 11,471,243	$ 26,130,493
Amounts receivable		143,225	75,151
Deposits	8	8,541,630	2,538,434
Prepaid expense		586,581	149,593
Total Current Assets		$ 20,742,679	$ 28,893,671
Furniture and Equipment	3	–	6,714
Patent Rights	4	1,172,485	774,225
Total Assets		$ 21,915,164	$ 29,674,610
Liabilities			
Current Liabilities:			
Accounts payable and accrued liabilities		$ 6,447,888	$ 2,218,352
Warrant liability	2h, 5(a), 6	11,250,167	17,849,460
Total Liabilities		17,698,055	20,067,812
Shareholders' Equity			
Share Capital	5a	170,502,394	154,016,519
Contributed Surplus		6,652,409	5,146,784
Warrants	5b	–	741,917
Deficit		(172,937,694)	(150,298,422)
Total Equity		4,217,109	9,606,798
Total liabilities and equity		$ 21,915,164	$ 29,674,610

Commitments (Note 8)
See notes to financial statements

Approved on behalf of the Board:

John E. Barker
Chairman

David McNally
President and CEO

TITAN MEDICAL INC.
Statements of Shareholders' Equity and Deficit
For the Years Ended December 31, 2018 and 2017
(In U.S. Dollars)

	Note	Share Capital Number	Share Capital Amount	Contributed Surplus	Warrants	Deficit	Total Equity
Balance - December 31, 2016	5(a)	5,550,382	$ 112,742,810	$ 3,707,432	$ 855,800	$ (116,711,438)	$ 594,604
Issued pursuant to agency agreement		4,232,428	20,799,951				20,799,951
Issued private placement		1,009,263	4,564,737				4,564,737
Issued other		7,500	67,954				67,954
Share issue expense			(2,132,238)				(2,132,238)
Warrants exercised during the year		1,755,141	17,392,158				17,392,158
Warrants expired during the year			113,883		(113,883)		–
Broker warrants exercised during the year		132,009	467,264				467,264
Stock based compensation				1,439,352			1,439,352
Net and Comprehensive loss for the year						(33,586,984)	(33,586,984)
Balance - December 31, 2017		12,686,723	$ 154,016,519	$ 5,146,784	$ 741,917	$ (150,298,422)	$ 9,606,798
Issued pursuant to agency agreement		8,975,126	16,915,394				16,915,394
Issued Other		7,500	66,234				66,234
Share issue expense			(1,297,668)				(1,297,668)
Warrants exercised during the year		6,500	59,998				59,998
Warrants expired during the year			741,917		(741,917)		–
Stock based compensation				1,505,625			1,505,625
Net and Comprehensive loss for the year						(22,639,272)	(22,639,272)
Balance - December 31, 2018		21,675,849	$ 170,502,394	$ 6,652,409	$ -	$ (172,937,694)	$ 4,217,109

See notes to financial statements

TITAN MEDICAL INC.

Statements of Net and Comprehensive Loss

For the Years Ended December 31, 2018, and 2017

(In U.S Dollars)

	Note	**Year Ended** December 31, 2018	**Year Ended** December 31, 2017
Revenue:		$ –	$ –
Expenses:			
Amortization		29,041	17,360
Consulting fees		785,128	598,804
Stock based compensation	5(b)	1,505,625	1,439,352
Insurance		252,514	25,897
Management salaries and fees		2,683,187	2,449,323
Marketing and investor relations		231,032	277,737
Office and general		412,039	284,532
Professional fees		485,639	452,751
Rent		97,782	97,817
Research and Development		32,858,339	12,900,855
Travel		350,016	339,628
Foreign exchange (gain)/loss		(979,894)	542,664
		38,710,448	19,426,720
Finance Income (cost):			
Interest		288,300	17,442
Gain (Loss) on change in fair value of warrants	2(h), 5(a), 6	17,095,220	(13,133,671)
Warrant liability issue cost		(1,312,344)	(1,044,035)
		16,071,176	(14,160,264)
Net and Comprehensive Loss For The Year		**$ 22,639,272**	**$ 33,586,984**
Basic and Diluted Loss Per Share		**$ (1.36)**	**$ (4.25)**
Weighted Average Number of Common Shares, Basic and Diluted		16,635,092	7,899,443

See notes to financial statements

TITAN MEDICAL INC.
Statement of Cash Flows
For the Years Ended December 31, 2018 and 2017
(In U.S Dollars)

	Year Ended December 31, 2018	Year Ended December 31, 2017
Cash provided by (used in):		
Operating activities:		
Net loss for the year	$ (22,639,272)	$ (33,586,984)
Items not involving cash:		
Amortization	29,041	17,360
Stock based compensation	1,505,625	1,439,352
Other share compensation	66,234	120,171
Warrant liability-fair value adjustment	(17,095,220)	12,423,889
Warrant liability-foreign exchange adjustment	(984,462)	305,475
Loss on extinquishment of other liabilities	–	709,782
Changes in non-cash working capital items:		
Amounts receivable, prepaid expenses and deposits	(6,508,259)	(504,056)
Accounts payable and accrued liabilities	4,229,536	(13,849)
Cash used in operating activities	(41,396,777)	(19,088,860)
Financing activities:		
Net proceeds from issuance of common shares and warrants	27,158,114	41,084,278
Cash provided by financing activities	27,158,114	41,084,278
Investing Activities:		
Increase in furniture and equipment	–	(3,427)
Cost of Patents	(420,587)	(201,409)
Cash used in investing activities	(420,587)	(204,836)
Increase (decrease) in cash and cash equivalents	(14,659,250)	21,790,582
Cash and cash equivalents, beginning of year	26,130,493	4,339,911
Cash and cash equivalents, end of year	$ 11,471,243	$ 26,130,493
Cash and cash equivalents comprise:		
Cash	$ 100,130	$ 354,295
Cash Equivalents	11,371,113	25,776,198
	$ 11,471,243	$ 26,130,493

See notes to financial statements

1. DESCRIPTION OF BUSINESS

Nature of Operations:

Titan Medical Inc's (the "Company") business continues to be in the research and development stage and is focused on the continued research and development of the next generation surgical robotic platform. In the near term, the Company will continue efforts to complete product development and proceed to pre-clinical and confirmatory human studies and satisfaction of appropriate regulatory requirements. Upon receipt of regulatory approvals, the Company will transition from the research and development stage to the commercialization stage. The completion of these latter stages will be subject to the Company receiving additional funding in the future.

The Company is incorporated in Ontario, Canada in accordance with the Business Corporations Act. The address of the Company's corporate office and its principal place of business is Toronto, Canada.

Basis of Preparation:

(a)Statement of Compliance
These financial statements for the year ended December 31, 2018 and December 31, 2017 have been prepared in accordance with International Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial statements were authorized for issue by the Board of Directors on February 13, 2019.

(b) Basis of Measurement
These financial statements have been prepared on the historical cost basis except for the revaluation of the warrant liability, which is measured at fair value.

(c) Functional and Presentation Currency
These financial statements are presented in United States dollars ("U.S."), which is the Company's functional and presentation currency.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Use of Estimates and Judgements
The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of provisions at the date of the financial statements and the reported amount of expenses during the year. Financial statement items subject to significant judgement include, the measurement of stock-based compensation and the fair value estimate of the initial measurement of new warrant liabilities and the remeasurement of unlisted warrant liabilities. While management believes that the estimates and assumptions are reasonable, actual results may differ.

These financial statements have been prepared in accordance with accounting principles applicable to going concern, which contemplates that the Company will be able to realize its assets and settle its liabilities in the normal course as they come due during the normal course of operations for the foreseeable future. The Company has shareholders' deficiency of $172,937,694 and current losses of $22,639,272. The Company currently does not generate any revenue (other than interest income on its cash balances) and accordingly it is primarily dependent upon equity financing for any additional funding required for development and operating expenses. The Company expects that approximately US $45 million in incremental funding is needed, for the next 12 months to maintain its currently anticipated pace of development. If additional funding is not available, the pace of the Company's product development plan may be reduced. These conditions indicate the existence of a material uncertainty that

*2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (continued)

may cast significant doubt on the ability of the Company to continue as a going concern if additional funding is notsecured. However, based on internal forecasts, Management believes that the Company has sufficient funds to meet its obligations under a reduced development plan, if necessary, for the ensuing twelve months.

Fair Value

The Black-Scholes model used by the Company to determine fair values of stock options and warrants was developed for use in estimating the fair value of the stock options and warrants.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash balances and amounts on deposit in interest saving account and short-term promissory notes expiring January 30, 2019 with interest rates ranging from 2.18% to 2.32%.

(c) Furniture and Equipment

Furniture and equipment are recorded at cost less accumulated amortization and accumulated impairment losses, if any. The Company records amortization using the straight-line method over the estimated useful lives of the capital assets as follow:

a) Computer Equipment	3 years
b) Furniture and Fixtures	3 – 5 years
c) Leasehold Improvements	Term of the lease

(d)Impairment of Long-Lived Assets

The Company reviews computer equipment, furniture and equipment, leasehold improvements and patent rights for objective evidence of impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable. Recoverability is measured by comparison of the asset's carrying amount to the asset's recoverable amount, which is the greater of fair value less cost to sell and value in use. Value in use is measured as the expected future discounted cash flows expected to be derived from the asset. If the carrying value exceeds the recoverable amount, the asset is written down to the recoverable amount.

(e)Patent Rights

Patent rights are recorded at cost less accumulated amortization and accumulated impairment loss. Straight line amortization is provided over the estimated useful lives of the assets, as prescribed by the granting body, which range up to twenty years.

(f)Deferred Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on differences between the financial reporting and tax bases of assets and liabilities, unused tax losses and income tax reductions, and are measured using the substantively enacted tax rates and laws that will be in effect when the differences are expected to reverse. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Management has determined not to recognize its net deferred tax assets, as it is not considered probable that future tax benefits will be realized.

2. ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (continued)

(g) Foreign Currency

Transactions in currencies other than U.S. dollars are translated at exchange rates in effect at the date of the transactions. Foreign exchange differences arising on settlement are recognized separately in net and comprehensive loss. Monetary year end balances are converted to U.S. dollars at the rate in effect at that time. Non-monetary items in a currency other than U.S. dollars that are measured in terms of historical cost are translated using the exchange rate at the date of transaction or date of adoption of U.S functional currency, whichever is later. Foreign exchange gains and losses are included in net and comprehensive loss.

(h)Warrant Liability

In accordance with IAS 32, because the exercise prices of warrants issued are not a fixed amount as they are denominated in a currency (Canadian dollars) other than the Company's functional currency (U.S. dollar), as well as the warrants issued August 10, 2018 with the cashless exercise options, the warrants are accounted for as a derivative financial liability. Each Warrant Liability is initially measured at fair value and subsequent changes in fair value are recorded through Net and Comprehensive Loss for the year. The fair value of these warrants was determined initially using a comparable warrant quoted in an active market, adjusted for differences in the terms of the warrant. At December 31, 2018, the Warrant Liability of listed warrants was adjusted to fair value measured at the market price of the listed warrants and the unlisted warrants were adjusted to fair value using the Black-Scholes formula.

(i)Fair Value Measurement

The accounting guidance for fair value measurements prioritizes the inputs used in measuring fair value into the following hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within Level 1 that are directly or indirectly observable:

Level 3 – Unobservable inputs in which little or no market activity exists, therefore requiring an entity to develop its own assumptions about the assumptions that market participants would use in pricing.

The fair value of the listed and unlisted Warrant liability is initially based on level 2 significant observable inputs and at December 31, 2018 and December 31, 2017 is based on level 1, quoted prices (unadjusted) for listed warrants and level 2 for unlisted warrants.

(j)Stock Based Compensation

IFRS 2 requires options granted to employees and others providing similar services to be measured at the fair value of goods or services received, unless that fair value cannot be estimated reliably. If the entity cannot estimate reliably the fair value of the goods or services received, the entity shall measure the value and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted, which the Company does using the Black-Scholes option- pricing model. The fair value of the options granted is determined as at the grant date.

Stock options granted to non-employees are valued at the fair value of the goods or service received, measured at the date on which the goods are received, or the services rendered. If the entity cannot estimate reliably the fair value of the goods or services received, the entity shall measure the value and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted, which the Company does using the Black-Scholes option- pricing model. The fair value of the options granted is determined as at the grant date.

2. ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (continued)

(k)Research and Development Costs
Research and development activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are expensed as incurred. The costs of developing new products are capitalized as deferred development costs, if they meet the development capitalization criteria under IFRS. These criteria include the ability to measure development costs reliably, the product is technically, and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. To date, all the research and development costs have been expensed as the criteria for capitalization have not yet been met.

(l)Earnings (loss) per Share
Basic earnings (loss) per share are calculated using the weighted-average number of common shares outstanding during the year. Diluted earnings (loss) per share considers the dilutive impact of the exercise of 925,782 outstanding stock options (December 31, 2017 – 591,609) and 13,901,859 warrants, (December 31, 2017– 5,108,588) as if the events had occurred at the beginning of the period or at a time of issuance, if later. Diluted loss per share has not been presented in the accompanying financial statements, as the effect would be anti-dilutive.

(m) Investment tax credits
As a result of incurring scientific research and development expenditures, management has estimated that there will be non-refundable federal and refundable and non-refundable provincial investment tax credits receivable following the completion of an audit process by tax authorities. Investment tax credits are recorded when received or when there is reasonable assurance that the credits will be realized. Upon recognition, amounts will be recorded as a reduction of research and development expenditures.

(n)Financial Instruments
Financial assets include cash and cash equivalents, and amounts receivable which are measured at amortized cost. Amounts receivable include HST recoverable and other receivables. Financial liabilities include accounts payable and accrued liabilities which are measured at amortized cost.

(o)Short term Employee Benefits
Short-term employee benefit obligations including Company paid medical, dental and life insurance plans, are measured on an undiscounted basis and are expensed as the related service is provided.

(p)Provisions
A provision is recognized, if as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Presently the Company is not aware of the need for any material provisions nor has it recorded any except as otherwise disclosed in the financial statements.

(q)Lease payments
Payments made under operating leases are recognized as an expense on a straight-line basis over the term of the lease. Lease incentives received, if any, are recognized as an integral part of the total lease expense over the term of the lease.

(In U.S. Dollars)

*2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (continued)

(r) Standards, Amendments and Interpretations Not yet Effective

Following is a listing of amendments, revisions and new IFRS standards, which have been issued but not effective until annual periods beginning after December 31, 2018.

IFRS 16 Leases, to supersede the requirements in IAS 17, IFRIC-15 and SIC-17. The new standard is effective for annual periods beginning on or after January 1, 2019.

Management believes the new standard, effective January 1, 2019 will not have a material impact on future results and Financial Position of the Company.

Adoption Of New Accounting Standard
IFRS 9 Financial Instruments

Effective January 1, 2018, the Company adopted IFRS 9 Financial Instruments (IFRS 9) which replaced IAS 39, Financial Instruments: Recognition and Measurement (IAS 39). IFRS 9 includes revised guidance on the classification and measurement of financial assets and liabilities; new guidance for measuring impairment on financial assets; and new hedge accounting guidance.

On adoption of IFRS 9, the Company has classified the financial assets and financial liabilities held at January 1, 2018, based on the new classification requirements and the characteristics of each financial instrument as at the transition date. The new classification did not require a restatement of prior periods.

The following table shows the original classification under IAS 39 and the new classification under IFRS 9 for each of the Company's financial assets and financial liabilities at January 1, 2018, (there is no change to the carrying amounts of the financial instruments from this change).

Financial Instrument	**IAS 39 Classification**	**IFRS 9**
Financial Asset		
Cash and cash equivalents	Loans and receivables	Amortized cost
Amounts receivable	Loans and receivables	Amortized cost
Financial Liabilities		
Accounts payable and accrued liabilities	Other financial liabilities	Amortized Cost

3. FURNITURE AND EQUIPMENT

	Computer Equipment	Furniture and Fixtures	Leasehold Improvements	Total
Cost				
Balance at December 31, 2017	$ 83,880	$ 261,483	$ 172,601	$ 517,964
Additions	–	–	–	–
Balance at December 31, 2018	$ 83,880	$ 261,483	$ 172,601	$ 517,964
Amortization & Impairment Losses				
Balance at December 31, 2017	$ 77,166	$ 261,483	$ 172,601	$ 511,250
Amortization for the year	6,714	–	–	6,714
Balance at December 31, 2018	$ 83,880	$ 261,483	$ 172,601	$ 517,964
Net Book Value				
At December 31, 2017	$ 6,714	$ –	$ –	$ 6,714
At December 31, 2018	–	$ –	$ –	$ –

4. PATENT RIGHTS

Cost	
Balance at December 31, 2017	$ 978,126
Additions	420,587
Balance at December 31, 2018	$ 1,398,713
Amortization & Impairment Losses	
Balance at December 31, 2017	$ 203,901
Amortization for the period	22,327
Balance at December 31, 2018	$ 226,228
Net Book Value	
At December 31, 2017	$ 774,225
At December 31, 2018	$ 1,172,485

5. *SHARE CAPITAL*

a) **Authorized:** unlimited number of common shares, no par

Issued: 21,675,849 (December 31, 2017: 12,686,723)

Exercise prices of units, warrants and options are presented in Canadian currency as they are exercisable in Canadian dollars unless otherwise noted.

On June 19, 2018 a share consolidation of 1:30 was completed and the Company's outstanding common shares were adjusted from 419,888,250 to 13,996,275. All references to the common shares, warrants and stock options, prior to June 20, 2018, have been updated in the notes to reflect the 1:30 reverse stock split.

On August 10, 2018 Titan Completed an offering of securities made pursuant to an agency agreement dated August 7, 2018 between the Company and Bloom Burton Securities Inc. (the "Agent"). The Company sold 7,679,574 Units under the Offering at a price of US $2.50 per Unit for gross proceeds of approximately $19,198,935 ($17,464,711 net

5. SHARE CAPITAL (continued)

of closing cost including cash commission of $1,343,925). Each Unit consisted of one Common Share of the Company and one Common Share purchase warrant, each warrant entitles the holder thereof to acquire one Common Share of the Company at an exercise price of US $3.20 and expiring August 10, 2023. The warrants were valued at $6,297,251 based on the value determined by the Black-Scholes model and the balance of $12,901,684 was allocated to common shares.

Pursuant to the agency agreement, in addition to the cash commission paid to the Agent, broker warrants were issued to the Agent which entitle the holder to purchase 537,570 Common Shares at a price of USD $2.50 per share prior to expiry on August 10, 2020.

On April 10, 2018 Titan completed an offering of securities made pursuant to an agency agreement dated April 3, 2018 between the Company and Bloom Burton Securities Inc. The Company sold 1,126,664 Units under the Offering at a price of CDN $9.00 per Unit for gross proceeds of approximately $8,035,941 ($7,211,320 net of closing costs including cash commission of $562,516). Each Unit consisted of one Common Share of the Company and one Common Share purchase warrant, each warrant entitles the holder thereof to acquire one Common Share of the Company at an exercise price of CDN $10.50 and expiring April 10, 2023. The warrants were valued at $4,553,700 based on the value determined by the Black-Scholes model and the balance of $3,482,241 was allocated to common shares.

Pursuant to the agency agreement, in addition to the cash commission paid to the Agent, broker warrants were issued to the Agent which entitle the holder to purchase 78,867 Common Shares at a price of CDN $9.00 per share prior to expiry on April 10, 2020.

On May 10, 2018 Titan announced the completion of the over-allotment option granted to Bloom Burton Securities Inc. as agent for its offering at a price of CDN $9.00 per Unit completed on April 10, 2018 was exercised and the Company sold an additional 168,888 Units at the offering price for additional gross proceeds of $1,189,856 ($1,100,238 net of closing costs including cash commission of $76,988). Each Unit consisted of one Common Share of the Company and one Common Share purchase warrant, each warrant entitles the holder thereof to acquire one Common Share of the Company at an exercise price of CDN $10.50 and expiring April 10, 2023. The warrants were valued at $658,387 based on the value determined by the Black-Scholes model and the balance of $531,469 was allocated to common shares.

Pursuant to the agency agreement, in addition to the cash commission paid to the Agent, broker warrants were issued to the Agent which entitle the holder to purchase 10,928 Common Shares at a price of CDN $9.00 per share prior to expiry on April 10, 2020.

During the year ended December 31, 2017, 1,755,141 warrants had been exercised for total proceeds of $9,438,577. The fair value of the exercised warrants had a value of $7,953,581 which was reclassed from warrant liability to common stock.

On December 5, 2017 Titan completed an offering of securities made pursuant to an agency agreement dated November 30, 2017 between the Company and Bloom Burton Securities Inc. The Company sold 1,533,333 Units under the Offering at a price of CDN $15.00 per Unit for gross proceeds of approximately $18,137,800 ($16,555,875 net of closing costs including cash commission of $1,246,185 paid in accordance with the terms of the agency agreement). Each Unit consisted of one Common Share of the Company and one Common Share purchase warrant, each warrant entitles the holder thereof to acquire one Common Share of the Company at an exercise price of CDN $18.00 and expiring December 5, 2022. The warrants were valued at $5,223,686 based on the value determined by the Black-Scholes model and the balance of $12,914,114 was allocated to common shares.

5. ***SHARE CAPITAL*** (continued)

Pursuant to the agency agreement in addition to the cash commission paid to the Agent, broker warrants were issued to the Agent which entitle the holder to purchase 105,350 Common Shares at a price of CDN $15.00 per share prior to expiry on December 5, 2019.

On October 31, 2017 Titan completed the final closing of a private placement led by a group of U.S. robotic surgeons. 446,197 common shares of Titan were issued at a subscription price of CDN $7.50 per Common Share for gross proceeds of $2,677,326.

On June 29, 2017 Titan completed an offering of securities made pursuant to an agency agreement dated June 26, 2017 between the Company and Bloom Burton Securities Inc. The Company sold 1,612,955 Units under the Offering at a price of CDN $4.50 per Unit for gross proceeds of approximately $5,576,357 ($4,838,002 net of closing costs including cash commission of $382,689 paid in accordance with the terms of the agency agreement). Each Unit consisted of one Common Share of the Company and one Common Share purchase warrant, each warrant entitles the holder thereof to acquire one Common Share of the Company at an exercise price of CDN $6.00 and expiring June 29, 2022. The warrants were valued at $2,788,274 based on the value determined by the Black-Scholes model and the balance of $2,788,083 was allocated to common shares.

Pursuant to the agency agreement, in addition to the cash commission paid to the Agent, broker warrants were issued to the Agent which entitle the holder to purchase 109,533 Common Shares at a price of CDN $4.50 per share prior to expiry on June 29, 2019.

On July 21, 2017 Titan completed a second closing of an offering of securities made pursuant to an agency agreement dated June 26, 2017 between the Company and Bloom Burton Securities Inc. The Company sold an additional 370,567 Units under the Offering at a price of CDN $4.50 per Unit for gross proceeds of approximately $1,328,871 ($1,200,788 net of closing costs including cash commission of $93,021 paid in accordance with the terms of the agency agreement). Each Unit consisted of one Common Share of the Company and one Common Share purchase warrant, each warrant entitles the holder thereof to acquire one Common Share of the Company at an exercise price of CDN $6.00 and expiring June 29, 2022. The warrants were valued at $575,844 based on the value determined by the Black-Scholes model and the balance of $753,027 was allocated to common shares.

Pursuant to the agency agreement in addition to the cash commission paid to the Agent, broker warrants were issued to the Agent which entitle the holder to purchase 25,940 Common Share at a price of CDN $4.50 per share prior to expiry on June 29, 2019.

On March 16, 2017 Titan completed an offering of securities made pursuant to an agency agreement dated March 10, 2017 between the Company and Bloom Burton Securities Inc. The Company sold 715,573 Units under the Offering at a price of CDN $10.50 per Unit for gross proceeds of approximately $5,642,537 ($5,039,817 net of closing costs including cash commission of $394,316 paid in accordance with the terms of the agency agreement). Each Unit consisted of one Common Share of the Company and (i)one-half of one Common Share purchase warrant, each whole warrant entitling the holder thereof to acquire one Common Share of the Company at an exercise price of CDN $12.00 and expiring March 16, 2019, and (ii)one-half of one Common Share purchase warrant, each whole warrant entitling the holder thereof to acquire on Common Share of the Company at an exercise price of CDN $15.00 and expiring March 16, 2021. The warrants were valued at $1,297,810 based on the value determined by the Black-Scholes model and the balance of $4,344,727 was allocated to common shares.

Pursuant to the agency agreement, in addition to the cash commission paid to the Agent, broker warrants were issued to the Agent which entitle the holder to purchase 50,005 Common Shares at a price of CDN $10.50 per share prior to expiry on March 16, 2019.

(In U.S. Dollars)

5. ***SHARE CAPITAL*** (continued)

On November 23, 2015 Titan closed a private placement of 143,009 Common Shares to Longtai Medical Inc. at a subscription price of CDN $36.90 per common share for gross proceeds of $4,000,000. Under the Agreement, Titan granted to Longtai exclusive rights to negotiate an exclusive marketing, sales and distribution agreement for Titan's SPORT Surgical System in the Asia Pacific region. Longtai paid to Titan $2,000,000 as a deposit toward the Distributorship Agreement.

As the parties were not able to reach consensus as to the Distribution Agreement by the agreed upon date, the deposit became due for repayment to Longtai. On August 24, 2017 Titan completed a subscription agreement with Longtai for the equity conversion of Longtai's $2.0 million deposit. Under the terms of the subscription agreement dated July 31, 2017, Titan issued to Longtai 563,067 Units at an assigned issue price of CDN $4.50 per Unit. Each Unit consists of one Common Share and one Common Share purchase warrant, with each warrant exercisable for one Common Share at an exercise price of CDN $6.00 per warrant and will expire August 24, 2022. The warrants were valued at $822,372 based on the value determined by the Black-Scholes model.

The common shares were valued at $1,887,411 based on the market value on August 24, 2017 of CDN $4.20. The warrant and the common share were valued at fair value in accordance with International Financial Reporting Interpretations Committee Interpretation #19-Extinguishing Financial Liabilities ("IFRIC 19"). A loss of $709,782 was incurred on extinguishment which is included in the Gain (Loss) on change in value of warrant liability in the statement of net and comprehensive loss.

b) **Warrants, Stock Options and Compensation Options**

Titan has reserved and set aside up to 10% of the issued and outstanding shares of Titan for granting of options to employees, officers, consultants and advisors. At December 31, 2018, 1,241,803 common shares (December 31, 2017: 677,063) were available for issue in accordance with the Company's stock option plan. The terms of these options are determined by the Board of Directors. A summary of the status of the Company's outstanding stock options as of December 31, 2018 and December 31, 2017 and changes during the periods ended on those dates is presented in the following table:

	Year Ended December 31, 2018		Year Ended December 31, 2017	
	Number of Stock Options	Weighted-average Exercise Price (CDN)	Number of Stock Options	Weighted-average Exercise Price (CDN)
Balance Beginning	591,609	$ 21.30	240,075	$ 33.00
Granted	372,866	$ 11.97	394,830	$ 15.60
Expired/Forfeited	(38,693)	$ 24.90	(43,296)	$ 34.80
Balance Ending	925,782	$ 17.32	591,609	$ 21.30

(In U.S. Dollars)

5. ***SHARE CAPITAL*** (continued)

The weighted-average remaining contractual life and weighted-average exercise price of options outstanding and of options exercisable as at December 31, 2018 are as follows:

Options Outstanding

Exercise Price (CDN)	Number Outstanding	Weighted-average remaining contractual life (years)	Options Exercisable
$2.09	50,349	3.00	50,349
$3.28	31,498	6.67	31,498
$4.50	18,935	4.54	18,935
$4.80	3,040	1.71	3,040
$7.49	5,590	6.52	5,590
$9.00	11,481	6.52	11,481
$9.60	1,105	1.77	1,105
$11.70	6,667	1.93	6,667
$12.00	1,948	1.93	1,948
$12.90	50,000	5.30	12,500
$14.40	18,950	5.86	4,737
$15.00	16,667	5.11	4,167
$15.00	273,948	6.06	-
$17.10	277,519	5.05	69,380
$30.00	105,719	2.65	81,462
$30.60	6,120	1.98	6,120
$32.40	18,810	2.08	18,810
$41.70	658	0.96	658
$45.30	560	1.61	560
$51.60	15,371	1.44	15,371
$58.20	10,847	0.39	10,847
	925,782	**4.82**	**355,225**

The weighted average exercise price of options outstanding is CDN $17.32 and CDN $18.84 for options that are exercisable. Since the December 18, 2018 options issued to consultants have an exercise price of USD $1.55, they have been converted at the December 18, 2018 close rate of 1.3461 or CDN $2.09.

(In U.S. Dollars)

5. ***SHARE CAPITAL*** (continued)

Options are granted to Directors, Officers, Employees and Consultants at various times. Options are to besettled by physical delivery of shares.

Grant date/Person entitled	Number of Options	Vesting Conditions	Contractual life of Options
January 17, 2017, option grants to Employees	277,519	Vest as to ¼ of the total number of Options granted, every year from Option Date	7 years
February 7, 2017 option grants to Employees	16,667	Vest as to 1/4 of the total number of Options granted, every year from Option Date	7 years
April 17, 2017, option grants to Employees	50,000	Vest as to 1/4 of the total number of Options granted, every year from Option Date	7 years
September 7, 2017, options granted to Consultants	6,667	Half vest in 3 months and the remaining half in 6 months	3 years
September 7, 2017, options granted to Directors	12,269	immediately	7 years
September 15,2017, options granted to Consultants	3,040	immediately	3 years
October 6, 2017, options granted to Consultants	1,105	immediately	3 years
November 8, 2017 option grants to Employees	18,950	Vest as to 1/4 of the total number of Options granted, every year from Option Date	7 years
December 4, 2017, options granted to Consultants	1,948	immediately	3 years
December 4, 2017, options granted to Consultants	6,667	Half vest immediately and the remaining half in 12 months	3 years
January 19, 2018 option grants to Employees	273,948	Options will vest the earlier of commercialization or 3 years from grant date	7 years
July 6, 2018, options granted to Directors	17,071	immediately	7 years
August 29, 2018, options granted to Directors	31,498	immediately	7 years
December 18, 2018, options granted to Consultants	50,349	immediately	3 years

Inputs for Measurement of Grant Date Fair Values

The grant date fair value of all share-based payment plans was measured based on the Black-Scholes formula. Expected volatility was estimated by considering historic average share price volatility. The inputs used in the measurement of fair values at grant date of the share-based option plan are as follows:

		2018		**2017**
Fair Value at grant date (CDN)	$	5.99	$	8.70
Share price at grant date (CDN)	$	10.79	$	14.75
Exercise price (CDN)	$	11.97	$	15.52
Expected Volatility		90.12%		83.20%
Option Life		3 years		3-4 years
Expected dividends		nil		nil
Risk-free interest rate (based on government bonds)		1.90%		1.06%

(In U.S. Dollars)

5. ***SHARE CAPITAL*** (continued)

The following is a summary of outstanding warrants included in Shareholder's Equity as at December 31, 2018 and December 31, 2017 and changes during the periods then ended.

	December 31, 2018		December 31, 2017	
	Number of Warrants	Amount	Number of Warrants	Amount
Opening Balance	175,357	$ 741,917	188,381	$ 855,800
Expired during the year				
Exercise Price CDN $1.25				
Expiry March 18, 2018	(175,357)	(741,917)	–	–
Expired during the year				
Exercise Price CDN $1.77				
Expiry March 14, 2017	–	–	(13,024)	(113,883)
Ending Balance	**–**	**$ –**	**175,357**	**$ 741,917**

6. ***WARRANT*** **LIABILTY**

	December 31, 2018		December 31, 2017	
	Number of Warrants	Amount	Number of Warrants	Amount
Opening Balance	4,933,231	$ 17,849,460	2,581,703	$ 2,365,691
Issue of warrants expiring, March 16, 2019	–	–	357,787	572,326
Issue of warrants expiring, March 16, 2021	–	–	357,787	725,484
Issue of warrants expiring, June 29, 2022	–	–	1,983,521	3,364,118
Issue of warrants expiring, August 24, 2022	–	–	563,067	822,372
Issue of warrants expiring, December 5, 2022	–	–	1,533,333	5,223,686
Issue of warrants expiring, April 10, 2023	1,295,554	5,212,087	–	–
Issue of warrants expiring, August 10, 2023	7,679,574	6,297,251		
Warrants exercised during the year	(6,500)	(28,949)	(1,755,141)	(7,953,581)
Warrants expired during the year	–		(688,826)	–
Foreign exhange adjustment during the year		(984,462)	–	305,475
Fair value adjustment during the year		(17,095,220)		12,423,889
Ending Balance	13,901,859	$ 11,250,167	4,933,231	$ 17,849,460

In addition to the warrants listed above, at December 31, 2018, the Company has issued, outstanding and exercisable, 786,183 broker unit warrants expiring between March 16, 2019 and August 10, 2020 (2017 – 272,650 broker unit warrants expiring between February 23, 2018 and December 5, 2019).

(In U.S. Dollars)

7. *INCOME TAXES*

a) Current Income Taxes

A reconciliation of combined federal and provincial corporate income taxes at the Company's effective tax rate of 26.5% (2017 – 26.5%).

	December 31, 2018	December 31, 2017
Net Loss before income taxes	$ (22,639,272)	$ (33,586,984)
Income taxes at statutory rates	$ (5,999,407)	$ (8,900,551)
Tax effect of expenses not deductible for income tax purposes:		
Tax/FX rate changes and other adjustments	–	(27,053)
Permanent differences	(4,374,564)	3,975,072
Unrecognized share issue costs	(354,072)	(554,252)
Total tax recovery	(10,728,043)	(5,506,784)
Tax recovery not recognized	10,728,043	5,506,784
	$ –	$ -

b) Deferred Income Taxes

Deferred income tax assets and liabilities result primarily form differences in recognition of certain timing differences that give rise to the Company's future tax assets (liabilities) and are as follows:

	December 31, 2018	December 31, 2017
Non-Capital Losses	$ 47,679,897	$ 37,012,271
Qualifying Research and Development expenditures	1,493,309	1,493,309
Share issue costs and other	1,622,533	1,562,116
Total tax assets	50,795,739	40,067,696
Tax assets not recognized	(50,795,739)	(40,067,696)
Net deferred tax assets	$ –	$ –

In assessing the realizability of deferred tax assets, management considers whether it is probable that some or all the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Management, based on IFRS criteria, has determined, at this time, not to recognize its deferred tax assets.

(In U.S. Dollars)

7. *INCOME TAXES* (continued)

c)Losses carried forward

The Company has non-capital losses of approximately $179,924,139 available to reduce future income taxes. The non-capital losses expire approximately as follows:

2027	$	786,557
2028		169,954
2029		186,708
2030		2,003,594
2031		12,735,836
2032		7,260,729
2033		8,856,497
2034		15,819,741
2035		43,934,918
2036		28,310,254
2037		19,604,159
2038		40,255,192
	$	179,924,139

The Company has accumulated Qualifying Research and Development expenses of $5,635,128 from prior years research and development. These expenditures may be carried forward indefinitely and used to reduce taxable income in future years.

As a result of a Canada Revenue Agency (CRA) audit completed in 2017 and 2016, regarding Titan's 2012 and 2011 SR&ED claim the 2012 loss of $6,517,436 has been adjusted to $7,260,729 and the 2011 loss of $9,423,694 has been adjusted to $12,735,836. The qualifying SR&ED expenditures has also been adjusted from $9,439,430 to $5,635,128. CRA concluded that the claimed work did not satisfy the SR&ED criteria. Titan is appealing this decision by CRA.

d) Investment Tax Credits

At December 31, 2018 the Company has $1,167,560 (2017 - $1,167,560) of unclaimed investment tax credits available to reduce federal income taxes payable in future years. If not utilized, these investment tax credits will start expiring in 2028. The amounts have been adjusted to reflect changes due to the CRA audit.

At December 31, 2018 the Company has $237,997 (2017 - $237,997) of unclaimed Ontario Research and Development Tax Credit available to reduce Ontario income taxes payable in future years. If not utilized, this credit will start expiring in 2029. The amounts have been adjusted to reflect changes due to the CRA audit.

8. *COMMITMENTS*

Effective November 30, 2018 the Company's Ancaster, Canada lease and sublease which was to expire January 31, 2019 were terminated. This space was leased at CDN $4,673 per month and sublet for CDN $4,099 per month.

The corporate office is located at 170 University Avenue, Toronto, Canada. Effective October 30, 2017 the Company extended its lease term for a period of 22 months, commencing February 1, 2018 at a monthly rent of CDN $9,969. On November 12, 2018 the lease was amended to reduce the square footage leased from 2,750 to 1,495, reducing the monthly rent to CDN $5,419.

(In U.S. Dollars)

8. ***COMMITMENTS*** (continued)

As part of its program of research and development around the SPORT Surgical System, the Company has outsourced certain aspects of the design and development to a U.S. based technology and development company. At December 31, 2018 $12,756,962 in purchase orders remain outstanding (2017 - $4,742,928). The Company also has on deposit with this same U.S. supplier $8,541,630 to be applied against future invoices (2017 - $2,172,943).

9. RELATED PARTY TRANSACATIONS

During the year ended December 31, 2018, transactions between the Company directors, officers and other related parties were related to compensation matters in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Compensation to the Executive Officers amounted to $1,552,367 for the year ended December 31, 2018 compared to $1,587,667 for the year ended December 31, 2017.

Officers and Directors of the Company control approximately 0.30% of the Company

	December 31, 2018		**December 31, 2017**	
	Number of Shares	**%**	**Number of Shares**	**%**
John Barker	31,714	0.15	23,715	0.19
Martin Bernholtz	-	-	102,383	0.81
David McNally	4,167	0.02	1,667	0.01
Stephen Randall	21,643	0.10	11,910	0.09
John Schellhorn	294	-	294	-
Bruce Wolff	7,610	0.03	2,010	0.02
Total	**65,428**	**0.30**	**141,979**	**1.12**
Common Shares Outstanding	**21,675,849**	**100%**	**12,686,723**	**100%**

10. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying values, unless otherwise noted, due to the short maturities of these instruments or the discount rate applied. Warrant liabilities are valued at fair value as described in note 2 (h).

The Company's risk exposures and their impact on the Company's financial instruments are summarized below:

a) Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents and amounts receivable. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents are held with reputable financial institutions, from which management believes the risk of loss to be remote. Financial instruments included in amounts receivable consists of HST tax due from the Federal Government of Canada and interest receivable from interest saving account and short-term promissory notes. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is remote.

b) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due and when appropriate will scale back its operations. As at December 31, 2018, the Company had cash and cash equivalents of $11,471,243 (December 31, 2017 -$26,130,493) to settle current liabilities of $6,447,888 (December 31, 2017 - $2,218,352) excluding warrant liabilities of $11,250,167 (December 31, 2017 – $17,489,460).

The Company currently does not generate any revenue or income (other than interest income on its cash balances) and accordingly, it is (and it will be for the foreseeable future) dependent primarily upon equity financing for any additional funding required for development and operating expenses.

The ability of the Company to arrange such financing in the future will depend in part upon prevailing capital market conditions and the business success of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares or convertible securities from treasury, control of the Company may change, and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may not be able to take advantage of opportunities, or otherwise to continue its technology development program at its current pace.

The Company expects that approximately US $45 million, in incremental funding will be required for fiscal 2019 to maintain its currently anticipated pace of product development. If additional funding is not available, the pace of the Company’s development plan may be reduced.

c) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

(i) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company’s current policy is to invest excess cash in interest savings accounts and short-term promissory notes. The Company periodically monitors the investments it makes and is satisfied with the credit risk of its bank.

(In U.S. Dollars)

10. FINANCIAL INSTRUMENTS (continued)

(ii) Foreign currency risk

The company's functional currency is the U.S. dollar. Expenditures transacted in foreign currency are converted to U.S. dollars at the rate in effect when the transaction is initially booked. The gain or loss on exchange, when the transaction is settled, is booked to the Statement of Net and Comprehensive Loss. Management acknowledges that there is a foreign exchange risk derived from currency conversion and believes this risk to be low as the Company now maintains a minimum balance of Canadian dollars.

d) Sensitivity analysis

Cash equivalents include cash balances and amounts on deposit in interest savings account and short-term promissory notes. Sensitivity to a plus or minus 1% change in interest rates could affect annual net loss by $113,711 (December 31,2017 - $257,762) based on the current level of cash invested in cash equivalents.

A strengthening of the U.S. dollar at December 31, 2018, as indicated below, against Canadian current assets and accounts payable and accrued liabilities including warrant liability of CDN $277,228 and $5,520,457 respectively (December 31, 2017 - $509,371 and $22,813,047) would result in increased equity and an increased profit for the period of $192,059 (December 31, 2017, increased equity and an increase profit of $888,913) as shown on the chart below. This analysis is based on foreign currency exchange rate variances that the Company considers to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular, interest rates, remain constant. The analysis is performed on the same basis for December 31, 2017.

December 31, 2018	**Profit of (Loss)**
5% strengthening	
CDN Current assets	$ (10,155)
CDN Accounts payable and accrued liabilities	$ 202,214
	$ 192,059
December 31, 2017	
5% strengthening	
CDN Current assets	$ (20,301)
CDN Accounts payable and accrued liabilities	$ 909,214
	$ 888,913

A weakening of the U.S. dollar against the Canadian dollar at December 31, 2018 and December 31, 2017 would have had the equal but opposite effect on the above currencies to the amount shown above, on the basis that all other variables remain constant.

11. **SEGMENTED REPORTING**

The Company operates in a single reportable operating segment – the research and development of SPORT, the next generation of surgical robotic platform.

12. CAPITAL MANAGEMENT

The Company's capital is composed of shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, to support the development of its SPORT Surgical Platform (SPORT). The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the SPORT. The Company has further progress to make in the development of the SPORT and anticipates that the cost of completion will exceed its current resources. Accordingly, the Company will be dependent on external financing to fund a portion of its future activities. To carry out the completion of the SPORT and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended December 31, 2018. The Company is not subject to externally imposed capital requirements.

13. EVENTS AFTER THE REPORTING DATE

During the first quarter of 2019, 619,606 warrants had been exercised for gross proceeds of $1,982,739.

TITAN MEDICAL INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2018

(IN UNITED STATES DOLLARS)

This Management's Discussion and Analysis ("MD&A") is dated February 13, 2019.

This MD&A provides a review of the performance of Titan Medical Inc. ("Titan" or the "Company") and should be read in conjunction with its audited financial statements for the year ended December 31, 2018 (and the notes thereto) (the "Financial Statements"). The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All financial figures are in United States Dollars except where otherwise noted.

Internal Control over Financial Reporting

During the year ended December 31, 2018, no changes were made to the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Forward-Looking Statements

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion other than statements of historical facts that address future events, developments or transactions that the Company expects, are forward-looking statements. These forward-looking statements are made as of the date of this MD&A. Forward-looking statements are frequently, but not always, identified by words such as "expects", "expected", "expectation", "anticipates", "believes", "intends", "estimates", "predicts", "potential", "targeted", "plans", "possible", "milestones", "objectives" and similar expressions, or statements that events, conditions or results "will", "may", "could", or "should" occur or be achieved. Forward-looking statements that appear in this MD&A include:

- the Company is committed to developing its robotic surgical system with the objective of substantially improving upon minimally invasive surgery;
- the Company intends to initially pursue focused surgical indications for the SPORT Surgical System, which may include one or more of gynecologic, urologic, colorectal or general abdominal procedures;
- the SPORT Surgical System is being developed with the goal of inserting the interactive multi-articulating instruments and the 3D high definition vision system into the patient's body cavity through a single incision;
- the Company's technology and research and development objectives and milestones, including such development milestones as achieving design freeze, estimated costs, schedules for completion and probability of success;

- the Company's intention with respect to updating any forward-looking statement after the date on which such statement is made or to reflect the occurrence of unanticipated events;
- the Company's expectation with respect to continuing animal and human cadaver studies;
- the Company's expectation that it can in a timely manner produce the appropriate preclinical and clinical data required for a 510(k) application to the U.S. Food and Drug Administration, and Technical File for the CE Mark;
- the Company's expectation with respect to launching a commercial product in certain jurisdictions;
- the Company's intentions to develop a robust training curriculum and post-training assessment tools;
- the Company's plans to develop and commercialize the SPORT Surgical System and the estimated incremental costs (including the status, cost and timing of achieving the development milestones disclosed herein);
- the Company's plans to design, create and refine software for production system functionality of the SPORT Surgical System and the estimated incremental costs (including the status, cost and timing of achieving the development milestones disclosed herein);
- the Company's intentions to complete formative and summative human factors studies;
- the Company's belief that existing and planned prototype units will be suitable to support human factors studies, preclinical evaluation and activities related to securing confirmatory human data during 2019;
- the Company's intentions with respect to initiating marketing activities following receipt of the applicable regulatory approvals;
- the Company's intention to continue to assess specialized skill and knowledge requirements and recruitment of qualified personnel and partners;
- the Company's belief that the materials and parts necessary for the manufacture of a clinical-grade SPORT Surgical System will be available in the marketplace;
- the Company's expectation that it will be able to finance its continuing operations by accessing public markets for its securities;
- the Company's intended use of proceeds of any offering of securities;
- the Company's intention with respect to not paying any cash dividends on Common Shares in the foreseeable future;
- the Company's intention to retain future earnings, if any, to finance expansion and growth;
- the Company's projected competitive conditions with respect to its products;
- the Company's technology and research and development objectives, including such development milestones as completing the engineering confidence build and achieving design freeze, estimated costs, schedules for completion and probability of success;

- the Company continues to explore in-licensing opportunities for technologies that may be used in conjunction with the Company's robotic surgical system;
- the Company anticipates that it will continue its pursuit of key strategic relationships;
- the Company's continuing efforts to secure its intellectual property and expanding its patent portfolio by filing patent applications as it progresses in the development of robotic surgical technologies and by licensing suitable technologies;
- the Company's plan to focus on the development and commercialization of the SPORT Surgical System at estimated incremental costs and according to a given timeline; and
- the Company intends to utilize a direct sales force and/or distribution partner(s) to initiate marketing the SPORT Surgical System to hospitals.

Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are no guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and actual results of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, such as current global financial conditions, dependence on key personnel, conflicts of interest, dependency on additional financing, the Company's history of losses, reliance on strategic alliances, the ability to retain key personnel in a highly-competitive employment environment, the possibility of the Company's inability to augment its management team when required, the possibility that the Company's trade secrets and confidential information may be compromised, reliance on third parties for important aspects of the Company's business, uncertainty as to product development and commercialization milestones, results of operations, competition, technological advancements, rapidly changing markets, uncertain market for the Company's products and technology, uncertainty as to the enforceability of the Company's intellectual property, infringement of intellectual property rights of others, scope and cost of insurance and uninsured risks, risks associated with the Company entering into additional long-term contractual arrangements, ability to license other intellectual property rights, government regulation, changes in market conditions and demands and preferences, changes in government policy, exposure to product liability claims, changes in accounting and tax rules, regulatory inquiries, requirements and approvals, contingent liabilities, manufacturing and product defects, history of losses, stock price volatility, future share sales, limited operating history, fluctuating financial results and currency fluctuations, uncertainty as to the Company's ability to meet its development and commercialization milestones, uncertainties as to development and manufacturing of a commercially viable product, reliance on external suppliers and development firms, fluctuations in the market prices of the Company's securities, possible future sales by the Company's shareholders of their securities, limited operating history of the Company, the development stage of the Company and its lack of revenues or earnings, fluctuations of the Company's financial results, the possibility that the Company is not able to maintain its "foreign private issuer" status, and the possibility of delisting from the Nasdaq or TSX exchanges.

Please also refer to the risk factors set forth starting on page 16 of the Company's Annual Information Form for the 2017 fiscal year, available on SEDAR at www.sedar.com, which are expressly incorporated by reference into the MD&A.

There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Other than as specifically required by law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results or otherwise. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. Accordingly, investors should not place undue reliance on forward-looking statements.

History and Business

The Company is the successor corporation formed pursuant to two separate amalgamations under the *Business Corporations Act* (Ontario) on July 28, 2008. Titan does not have any subsidiaries.

The address of the Company's corporate office and its principal place of business is 170 University Avenue, Suite 1000, Toronto, Ontario, Canada M5H 3B3.

Overall Performance

During the year ended December 31, 2018 the Company raised gross proceeds of $28,424,732 ($25,776,269 net of closing cost including cash commission of $1,983,429). The Company generated a net los of $22,639,272, which included research and development expenditures of $32,858,339 and a gain on the change in fair value of warrants of $17,095,220.

The Company's business is focused on research and development through to the commercialization of computer-assisted robotic surgical technologies for application in minimally invasive surgery ("MIS"). The Company is developing the SPORT Surgical System, a single-port robotic surgical system comprised of a surgeon-controlled patient cart that includes a 3D high definition vision system and multi-articulating instruments for performing MIS procedures, and a surgeon workstation that provides the surgeon with an advanced ergonomic interface to the patient cart and a 3D endoscopic view inside the patient's body during MIS procedures. The Company intends to initially pursue focused surgical indications for the SPORT Surgical System, which may include one or more of gynecologic, urologic, colorectal or general abdominal procedures.

Development of the SPORT Surgical System has proceeded with input from surgeons and operating room staff experienced in minimally invasive surgery and, consultation with medical technology development firms and input from the Company's Surgeon Advisory Board (the "Surgeon Advisory Board") comprised of surgeons who specialize in minimally invasive surgery. This approach has allowed the Company to design a robotic surgical system that is intended to include the traditional advantages of robotic surgery, including 3D stereoscopic imaging and restoration of instinctive control, as well as new and enhanced features, including an advanced surgeon workstation incorporating a 3D high definition display providing a more ergonomically friendly user interface and a patient cart with enhanced instrument dexterity. Overall, the surgical system is designed to be adapted to the needs of the surgeon, with the intent that the system will appeal to a broader array of surgeons than systems that do not provide such adjustability.

The SPORT Surgical System patient cart is being developed to deliver interactive multi- articulating instruments and a 3D high definition vision system into a patient's abdominal body cavity through a single access port. The design of the patient cart includes an insertion tube of approximately 25 millimeter (mm) diameter. The insertion tube includes an integrated 2D wide-angle camera module that once inserted, provides visualization for optimal positioning of the camera insertion tube by the bedside assistant under the guidance of the surgeon. Once the camera insertion tube is inserted and positioned in the body, a separate steerable, 3D high definition endoscopic camera is configured to deploy into a working configuration wherein the camera module and multi-articulating instruments can be controlled by a surgeon via the workstation. The reusable multi-articulating, snake-like instruments are designed to couple with sterile detachable single patient use robotic end effectors that would provide first use quality in every case and eliminate the reprocessing of the complete instrument. The use of reusable (for a specific number of uses) robotic instruments and single patient use end effectors is intended to minimize the cost per procedure without compromising surgical performance. The patient cart is also designed to include a mast, a boom and wheels for optimal configurability for a variety of surgical indications and the ability to be maneuvered within the operating room, or redeployed within hospitals and surgical centers, where applicable.

As part of the development of the SPORT Surgical System, the Company is developing a robust training curriculum and post-training assessment tools for surgeons and surgical teams. The proposed training curriculum is planned to include cognitive pre-training, psychomotor skills training, surgery simulations, live animal and human cadaver lab training, surgical team training, troubleshooting and an overview of safety. Post-training assessment will include validation of the effectiveness of those assessment tools. On September 18, 2018, the Company announced the successful completion of 14 core surgical skills simulation modules for use with the SPORT Surgical System surgeon workstation. The successful demonstration and delivery of these modules was a significant development in the first phase of the comprehensive surgeon training curriculum that the Company is planning for its SPORT Surgical System.

The Company continuously evaluates its technologies under development for intellectual property protection through a combination of trade secrets and patent application filings. As of December 31, 2018, the Company had ownership of 29 patents and 73 patent applications. The Company has accelerated the filing and prosecution of patents that management believes will validate the novelty of its unique technology, and in turn, support the value of the entire franchise. Early evidence of success with this initiative has been the rapid growth of its patent portfolio from 12 issued patents at December 31, 2016 to 29 issued patents as of December 31, 2018. The Company anticipates further expanding its patent portfolio by filing additional patent applications as it progresses in the development of robotic surgical technologies and potentially, by licensing suitable technologies.

As part of its development and commercialization efforts, the Company has established certain milestones that it uses to assess its progress towards developing commercially viable robotic surgical technologies. These milestones relate to technology and design advancements as well as to targeted dates for preclinical and clinical studies and completion of regulatory submissions. To assess progress, the Company regularly tests and evaluates its technology. If such evaluations indicate technical defects or failure to meet cost or performance goals, the Company's commercialization schedule could be delayed and potential purchasers of its initial commercial systems may decline to purchase them or may choose to purchase alternative technologies.

Among other things, the future success of the Company is substantially dependent on continuing its research and development program, including the ongoing support of any outsourced research and development suppliers.

In addition to being capital intensive, research and development activities relating to the sophisticated technologies that the Company is developing are inherently uncertain as to future success and the achievement of desired results. If delays or problems occur during the Company's ongoing research and development activities, important financial and human resources may need to be diverted toward resolving such delays or problems. Further, there is material risk that the Company's research and development activities may not result in a functional, commercially viable, manufacturable product, or one that is approved by regulatory authorities.

Previously, for the year ended 2017, the Company achieved all of its milestones as published in the Company's Annual Information Form for the 2017 fiscal year. The Company continued this trend of accomplishment through the year ended 2018, again completing all of its published milestones: (1) planning of software development and product upgrades including improvements to the workstation, patient cart, instruments, camera, light source and disposable components; (2) demonstration of the first two modules of its simulation software; (3) prototyping, testing and procurement of surgeon feedback on revised workstation controls; (4) completion of software and hardware change requirements and finalization of computer and software architecture for production systems; (5) completion of revisions to instrument and lens wash system and demonstration of performance; (6) completion of a camera insertion tube engineering confidence build based on an improved design; (7) completion of the design of the SPORT Surgical System workstation and patient cart for engineering confidence build; (8) completion and demonstration of a full suite of simulation software for beta test; and (9) completion of the SPORT Surgical System capital equipment engineering confidence build based on the improved design requirements.

As previously announced, the Company selected three Centers of Excellence (strategic facilities) for preclinical studies in the U.S. and Europe, which are:

- Florida Hospital Nicholson Center in Celebration, Florida;
- Columbia University Medical Center in New York, New York; and
- Institut Hospitalo-Universitaire de Strasbourg ("IHU Strasbourg") in Strasbourg, France.

Ahead of its published milestone, on September 25, 2017, the Company announced the completion of the world's first gynecologic, colorectal and urologic single port robotic procedures using its advanced prototype SPORT Surgical System at the Florida Hospital Nicholson Center in Celebration, Florida. Since that time, the Company has announced that surgeons have completed critical surgical tasks integral to gynecologic procedures using advanced prototypes of the SPORT Surgical System at Columbia University Medical Center's surgical simulation center in New York, New York and at the Institute of Image-Guided Surgery at IHU Strasbourg.

To date, 12 experienced robotic surgeons from three continents have performed 43 live animal studies and two human cadaver studies. The studies performed include a broad array of procedures commonly performed by gynecologic, urologic, colorectal, bariatric, and general surgeons. The surgeons who performed these studies have prepared and submitted related abstracts for peer review, and have presentated at clinical education meetings, including:

1. **Multi-disciplinary applications of a new robotic platform** by Barbara Seeliger, MD and Lee Swanstrom, MD (IHU Strasbourg), accepted and presented as a poster at the Society of American Gastrointestinal and Endoscopic Surgeons Meeting, Seattle, WA. (April 2018);

2. **Single-port prostatectomy using SPORT Surgical System** by Eric Barret, MD (Institut Mutualiste Montsouris, France), accepted and presented as a poster at the EAU Section of Urology Technology Meeting, Modena, Italy, May 2018;

3. **Multispecialty single port robotic technology applied in the live animal model: proof of concept** by Travis Rogers, MD, Eduardo Parra Davila, MD, Vipul Patel, MD (all from Florida Hospital), Ricardo Estape, MD (South Miami GOG) and Armando Melani, MD (IRCAD Brazil), accepted and presented as a poster at the Society of Robotic Surgery Meeting, Stockholm, Sweden (June 2018);

4. **Feasibility of single-port partial nephrectomy using SPORT surgical system** by Eric Barret, MD (Institut Mutualiste Montsouris, France), accepted and presented as a poster at Society of Robotic Surgery Meeting, Stockholm, Sweden (June 2018);

5. **Single-port robotic partial and hemi nephrectomy using a novel single port robotic platform** by Sebastien Crouzet, MD (University of Lyon, France) and Barbara Seeliger, MD (IHU Strasbourg), accepted and presented at EAU Robotic Urology Section Meeting, Marseille, France (September 2018);

6. **Reverse Objective Structured Assessment of Technical Skills (Reverse-OSATS) as a means of measuring the capability of the Titan Medical SPORT Surgical System on core surgical principles** by Chetna Arora, MD, Arnold P. Advincula, MD (both from Columbia University Medical Center) and William B. Burke, MD (Stony Brook Cancer Center), accepted and presented at Society of European Robotic Gynecologic Surgeons Meeting, Milan, Italy (September 2018);

7. **Multispecialty single port robotic technology applied in the live animal model: proof of concept** by Travis Rogers, MD, Eduardo Parra Davila, MD, Vipul Patel, MD (all from Florida Hospital), Ricardo Estape, MD (South Miami GOG) and Armando Melani, MD (IRCAD Brazil), accepted and presented at World Congress of Endourology Meeting, Paris, France (September 2018);

8. **Feasibility of single-port partial nephrectomy using SPORT surgical system** by Eric Barret, MD (Institut Mutualiste Montsouris, France) Accepted and presented at World Congress of Endourology Meeting, Paris, France, September 2018; and

9. **Reverse Objective Structured Assessment of Technical Skills (Reverse-OSATS) as a means of measuring the capability of the Titan Medical SPORT Surgical System on core surgical principles** by Chetna Arora, MD, Arnold P. Advincula, MD (both from Columbia University Medical Center) and William B. Burke, MD (Stony Brook Cancer Center), accepted at American Association of Gynecologic Laparoscopists World Congress, Las Vegas, NV (November 2018).

Further, several of these surgeons collaborated to author a manuscript that was published January 2019 in the highly-regarded, peer-reviewed journal *Surgical Endoscopy*: and is titled Enabling single-site laparoscopy: the SPORT platform by Barbara Seeliger[1] · Michele Diana[1] · Jelle P. Ruurda[2] · Konstantinos M. Konstantinidis[3] · Jacques Marescaux[1] · Lee L. Swanström[1,4]

1 IHU-Strasbourg Institute of Image-Guided Surgery, 1, place de l'Hôpital, 67091 Strasbourg Cedex, France
2 Department of Surgical Oncology, University Medical Center, Utrecht, Utrecht, Netherlands
3 Department of General, Bariatric, Laparoscopic and Robotic Surgery, Athens Medical Center, Athens, Greece
4 Division of GI/MIS, The Oregon Clinic, Portland, OR, USA

Selected Annual Information

The following table summarizes selected financial data reported by the Company for the years ended December 31, 2018, 2017 and 2016 in accordance with IFRS. The information set forth should be read in conjunction with the respective audited financial statements.

	2018	2017	2016
Net Sales	-	-	-
Net and comprehensive loss for the year	$ 22,639,272	$ 33,586,984	$ 23,323,496
Basic & diluted loss per share	$ 1.36	$ 4.25	$ 4.80
Total long-term liabilities	-	-	-
Total Assets	$ 21,915,164	$ 29,674,610	$ 7,192,496
Dividends	-	-	-

Significant changes in key financial data from 2016 to 2018 can be attributed to the availability of equity financing, the fluctuations of the fair value of warrants and expenditures in connection with the development of the Company's robotic surgical system.

Discussion of Operations

The Company incurred a net and comprehensive loss of $22,639,272 during the year ended December 31, 2018, compared with a net and comprehensive loss of $33,586,984 for the year ended December 31, 2017. This decrease in net and comprehensive loss for the year is primarily attributed to a large gain from the change in fair value of warrants in 2018 compared to a loss in 2017, which was partially offset by substantially higher research and development expenditures in 2018 compared to 2017. In addition, foreign exchange gain in the year ended December 31, 2018, was $979,894, compared to a loss of $542,664 for the year ended December 31, 2017. This change in foreign exchange of $1,522,558 is primarily attributable to the foreign exchange on warrants, a gain of $984,462 in 2018 compared to a loss of $305,475 in 2017.

During the year ended December 31, 2018, the Company continued to support strategic product development and manufacturing relationships with qualified subcontractors, carrying on efforts to globally secure the Company's intellectual property through the patent and licensing process, and continue the development of the Company's robotic surgical system.

Research and development expenditures (all of which were expensed in the period), for the years ended December 31, 2018 and December 31, 2017, respectively, were as follows:

Research and Development Expenditures	Year Ended December 31, 2018	Year Ended December 31, 2017
Intellectual property development	14,540	25,704
License and royalties	-	43,575
Product development	$ 32,843,799	$ 12,831,576
Total	$ 32,858,339	$ 12,900,855

Research and development expenditures increased in the year ended December 31, 2018 compared to the same period in 2017. This increase was primarily due to an increase in available funding in 2018 that allowed the Company to accelerate product development in 2018, compared to 2017.

Excluding foreign exchange, general and administrative expenses for the year ended December 31, 2018, were $6,832,003 compared to $5,983,201. The increases in general and administrative expenses during the comparative periods are attributed to increases in insurance, consulting fees, incremental salaries of personnel added after the beginning of 2017, management and administrative salaries, professional fees and office and general expenses.

The gain attributed to the change in fair value of warrants for the year ended December 31, 2018 was $17,095,220 compared to loss of $13,133,671 for the same period in 2017. The change of $30,228,891 reflects a significant decrease in the fair value of warrants in 2018 compared to 2017.

The Company realized $288,300 of interest income on its cash and cash-equivalent balances during the year ended December 31, 2018, and $17,442 for the same period in 2017. This increase in interest income is primarily attributed to substantially higher cash balances in its money market account in 2018 compared to 2017.

For a discussion with regard to the status of the development of the SPORT Surgical System, please see "*Development Objectives*" below.

Summary of Quarterly Results

The following is selected financial data for each of the eight most recently completed quarters, derived from the Company's financial statements and calculated in accordance with IFRS. Basic and diluted loss per share figures are calculated on the basis of the 30:1 consolidation of common shares.

	Three Months Ended December 31, 2018	Three Months Ended September 30, 2018	Three Months Ended June 30, 2018	Three Months Ended March 31, 2018	Three Months Ended December 31, 2017	Three Months Ended September 30, 2017	Three Months Ended June 30, 2017	Three Months Ended March 31, 2017
Net sales	-	-	-	-	-	-	-	-
Net and Comprehensive Loss (gain) from operations	$ 8,410,702	$ 7,534,456	$ 5,885,415	$ 808,699	$ 12,829,980	$ 13,902,817	$ 1,865,913	$ 4,988,274
Basic and diluted loss per share	$ 0.41	$ 0.41	$ 0.47	$ 0.07	$ 1.20	$ 1.80	$ 0.30	$ 0.90

Significant changes in key financial data from the three months ended March 31, 2017 through the three months ended December 31, 2018 reflect the ongoing development of the SPORT Surgical System. Also included is the requirement to revalue the Company's warrant liability at fair value, with subsequent changes recorded through net and comprehensive loss for the period.

During the fourth quarter of 2018, the Company had a net and comprehensive loss of $8,410,702 compared to a loss of $12,829,980 for the same period in 2017. This decrease in loss of $4,419,278 is primarily attributed to a gain in the change in fair value of warrants in 2018 of $7,166,276 compared to a loss of $7,407,114 in 2017, which was offset by substantially higher research and development expenditures in 2018 of $14,194,003 compared to $3,188,783 in 2017.

Liquidity and Capital Resources

The Company currently does not generate any revenue (other than interest income on its cash balances) and accordingly it is primarily dependent upon equity financing for any additional funding required for development and operating expenses. The Company expects that approximately US $45 million in incremental funding is needed, for the next 12 months to maintain its currently anticipated pace of development. If additional funding is not available, the pace of the Company's product development plan may be reduced. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern if additional funding is not secured. However, based on internal forecasts, Management believes that the Company has sufficient funds to meet its obligations under a reduced development plan, if necessary, for the ensuing twelve months.

The ability of the Company to arrange such financing in the future will depend in part upon prevailing capital market conditions and the business success of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If adequate funds are not available, or are not available on acceptable terms, the Company may not be able to take advantage of opportunities, or otherwise to continue its technology development program at its current pace. If additional financing is raised by the issuance of shares or convertible securities from treasury, control of the Company may change and shareholders may suffer additional dilution, or loss of their investment.

The Company had $11,471,243 of cash and cash equivalents on hand and accounts payable and accrued liabilities of $6,447,888 excluding warrant liability, at December 31, 2018, compared to $26,130,493 and $2,218,352 respectively, at December 31, 2017. The Company's working capital as at December 31, 2018 was $14,294,791 excluding warrant liability, compared to $26,675,319 at December 31, 2017.

Below is a table that sets out the various series of Titan warrants that were previously issued, using historic rates. The disclosure of the potential proceeds in the last column of the table below assumes all warrants are exercised on or before the expiry date. However, there is no assurance that any warrants will be exercised prior to their expiry. The chart has been updated to reflect the number of warrants issued and outstanding post 30:1 consolidation, as at June 30, 2018.

Issue Date		Expiry Date	Number Issued	Number Outstanding	Exercise Price (CDN $)
TMD.WT.F	November 16, 2015	November 16, 2020	233,740	233,740	$ 48.00
TMD.WT.G	February 12, 2016	February 12, 2021	389,027	386,694	$ 30.00
TMD.WT.G	February 23, 2016	February 12, 2021	58,226	58,226	$ 30.00
TMD.WT.H	March 31, 2016	March 31, 2021	501,831	501,831	$ 36.00
TMD.WT.H	April 14, 2016	March 31, 2021	75,275	75,275	$ 36.00
TMD.WT.I	September 20, 2016	September 20, 2021	569,444	569,444	$ 22.50
TMD.WT.I	October 27, 2016	September 20, 2021	67,667	67,667	$ 22.50
NOT LISTED	March 16, 2017	March 16, 2019	357,787	135,824	$ 12.00
NOT LISTED	March 16, 2017	March 16, 2021	357,787	355,253	$ 15.00
NOT LISTED	June 29, 2017	June 29, 2022	1,612,955	75,810	$ 6.00
NOT LISTED	July 21, 2017	June 29, 2022	370,567	370,567	$ 6.00
NOT LISTED	August 24, 2017	August 24, 2022	563,067	563,067	$ 6.00
NOT LISTED	December 5, 2017	December 5, 2022	1,533,333	1,533,333	$ 18.00
NOT LISTED	April 10, 2018	April 10, 2023	1,126,665	1,126,665	$ 10.50
NOT LISTED	May 10, 2018	April 10, 2023	168,889	168,889	$ 10.50
*NOT LISTED	August 10, 2018	August 10, 2023	7,679,574	7,679,574	$ 4.15
TOTAL			15,665,834	13,901,859	

*The exercise price of the August 10, 2018 warrants is US $3.20. For conformity, because the other warrants in this table are in CDN dollars, the exercise price and potential proceeds in respect of the August 10, 2018 warrants have been converted to CDN dollars using the Bank of Canada rate on August 3, 2018 of US $1.00 = CDN $1.2983.

Commitments

As part of its program of research and development around the SPORT Surgical System, the Company has outsourced certain aspects of the design and development to a U.S based technology and development company. At December 31, 2018, $12,756,962 in purchase orders remain outstanding. The Company also has on deposit with the same U.S supplier $8,541,630 to be applied against future invoices.

Development Objectives

The Company uses a combination of internal resources and external development firms to execute the research, development and commercialization plan for the Company's robotic surgical system.

The results achieved by surgeons in operating prototypes in animal and cadaver studies during 2017 validated the potential for single incision surgeries to be performed with the SPORT Surgical System. However, the studies also confirmed that improvements to the system would be necessary before proceeding toward regulatory clearance and commercialization. Accordingly, product development was accelerated in 2018 in preparation for commercial manufacturing, including hardware and software development at all levels, involving the workstation, patient cart, cameras and light source, instruments, and disposable components that facilitate successful surgery. Product improvements were completed and implemented in a capital equipment engineering confidence build of an improved prototype in December of 2018 and are expected to be followed by system performance evaluation in early 2019.

Initial product development, including software integration, will be completed before design freeze and proceeding with summative evaluation usability tests with the final product and validation studies required for supporting regulatory filings. Based on the scope of product development ahead, the Company expects these tests and studies to take place in 2019, with the system in its final configuration and with training programs in place for new surgeon users.

During 2018, the Company confirmed with the Food and Drug Administration of the United States Department of Health and Human Services (the "FDA"), that confirmatory human data will be required for its planned regulatory submission. The performance of human surgeries with the SPORT Surgical System will require an Investigational Device Exemption ("IDE") from the FDA, which must be submitted and approved in advance. Further, the recruitment of surgeons from multiple hospital sites will be necessary to perform the surgeries. Each of these sites will require approval of their independent Institutional Review Board ("IRB") to approve the studies. During the first three quarters of 2019, the Company plans to pursue the recruitment of surgeons and hospitals for the studies, IDE approval by the FDA, and approvals by the IRB of each hospital, in preparation for the confirmatory human studies planned for completion during the fourth quarter.

A complete estimate of the timing and costs for development milestones beyond 2019 is speculative. The Company estimates that a minimum of US $64.1 million will be required to fund its operations in 2019. Based on the cash and cash equivalents on hand, including deposits with suppliers as at December 31, 2018, the Company believes that it will need to raise approximately $45 million to fund it operations in 2019. This includes projected capital resources necessary for the Company to submit its 510(k) application to the FDA and apply for CE Marking which indicates that a product for sale within the European Economic Area (EEA) has been assessed to conform with health safety and environmental protection requirements. If successful with those efforts, the Company expects to proceed with early commercialization activities in the U.S. in 2020. Given the uncertainty of, among other things, product development timelines, regulatory processes and requirements (such as live animal and human cadaver studies and confirmatory human studies), as well as the availability of required capital to fund development and operating costs, actual costs and development times may exceed management's current expectations and an accurate estimate of the future costs of the regulatory phases and development milestones beyond 2019 is not possible at this time.

The Company's current plan is to raise sufficient financing and continue the development and commence commercialization of the SPORT Surgical System at estimated incremental costs, and according to the timeline, as set forth in the table below.

Current Development Plan

The Company anticipates development costs through to the fourth quarter of 2019 to be as set out in the table below (the "Current Development Plan").

Milestone Number	*Development Milestones*	Estimated Cost (in U.S. million $)	Schedule for Milestone Completion	Comments
Milestone 1	Prototype, test and procure surgeon feedback on revised workstation controls Complete software and hardware change requirements and finalize computer and software architecture for production systems Complete revisions to instrument and lens wash system and demonstrate performance		Q2 2018	*Completed*
Milestone 2	Complete Camera Insertion Tube (CIT) engineering confidence build based on improved design Complete design of SPORT Surgical System surgeon workstation and patient cart for engineering confidence build Complete and demonstrate full suite of simulation software for beta test		Q3 2018	*Completed*
Milestone 3	Complete SPORT Surgical System capital equipment engineering confidence build based on improved design		Q4 2018	Completed
Milestone 4	Document results of confidence build unit testing, implement subsystem design improvements and schedule preliminary audit of quality system by European Notified Body	16.0(1)	Q1 2019	
Milestone 5	Update system design and related hardware and software documentation Verify production system operation with clinical experts under rigorous formal (summative) human factors evaluation under simulated robotic manipulation exercises Initiate SPORT Surgical System Design Freeze Initiate preclinical live animal (swine) and cadaver studies according to final protocols for FDA submittal Submit Investigational Device Exemption (IDE) application to FDA	16.9(2)	Q2 2019	
	Submit draft protocols to FDA in Q-submission(s) for comment			*Completed*
Milestone 6 Milestone 7	Complete and document preclinical live animal (swine) and cadaver studies according to final protocols for FDA submittal Obtain ISO 13485 Certification Receive IDE approval from FDA Complete and document human confirmatory studies under IDE protocols for FDA submittal Submit Technical File to European Notified Body for review for CE Mark Submit 510(k) application to FDA	16.1(3) 15.1(4)	Q3 2019 – Q4 2019	
	TOTAL	64.1		

Notes:

(1) Includes research and development costs estimated at approximately US $14.6 million, and general and administrative costs estimated at approximately US $1.4 million.

(2) Includes research and development costs estimated at approximately US $15.5 million, and general and administrative costs estimated at approximately US $1.4 million.

(3) Includes research and development costs estimated at approximately US $14.7 million, and general and administrative costs estimated at approximately US $1.4 million.

(4) Includes research and development costs estimated at approximately US $13.7 million, and general and administrative costs estimated at approximately US $1.4 million.

Upon completion of the development of the SPORT Surgical System and following receipt of applicable regulatory clearance in the United States, the Company intends to utilize a direct sales force and to initiate marketing of the SPORT Surgical System to hospitals.

Due to the nature of technology research and development, there is no assurance that these objectives will be achieved, and there can be no assurance with respect to the time or resources that may be required. The Company expects that additional specific milestones could be identified as the development of its SPORT Surgical System progresses, or existing milestones, budgets and the schedule for completion of each milestone may change depending on a number of factors including the results of the Company's development program, clarification of or changes to regulatory requirements, the availability of financing and the ability of development firms engaged by the Company to complete work assigned to them. The total costs to complete the development of the Company's SPORT Surgical System as referenced above are only an estimate based on current information available to the Company and cannot yet be determined with a high degree of certainty, and the costs may be substantially higher than estimated. Please see "*Forward-Looking Statements*".

Please also refer to the risk factors set forth starting on page 16 of the Company's Annual Information Form for the 2017 fiscal year, available on SEDAR at www.sedar.com.

Financings

On June 19, 2018 a share consolidation, on the basis of 30 pre-consolidation common shares forming one post-consolidation common share, was completed and the Company's outstanding common shares ("Common Shares") were adjusted from 419,888,250 to 13,996,275. All references to Common Shares, warrants, and stock options have been updated in the notes to reflect the 1:30 share consolidation.

During the first quarter of 2019, 619,606 warrants had been exercised for gross proceeds of $1,982,739.

Offerings During Q3 2018

On August 10, 2018, the Company completed an offering of securities made pursuant to an agency agreement dated August 7, 2018 between the Company and Bloom Burton Securities Inc. ("Bloom Burton"). The Company sold 7,679,574 units under the offering price of $2.50 per unit for gross proceeds of approximately $19,198,935 ($17,464,711 net of closing cost including cash commission of $1,343,925). Each unit consisted of one Common Share of the Company and one Common Share purchase warrant, each warrant entitling the holder to acquire one Common Share at an exercise price of $3.20 and expiring August 10, 2023.

Offerings During Q2 2018

On April 10, 2018, the Company completed an offering of securities pursuant to an agency agreement dated April 3, 2018 between the Company and Bloom Burton. The Company sold 1,126,665 units under the offering at a price of CDN $9.00 per unit for gross proceeds of approximately $8,035,941 ($7,211,320 net of closing costs including cash commission of $562,516). Each unit consisted of one common share and one warrant, each warrant entitling the holder thereof to acquire one common share at an exercise price of CDN $10.50 and expiring April 10, 2023.

On May 10, 2018, the Company announced the exercise of the over-allotment option granted to Bloom Burton as agent for its offering, at a price of CDN $9.00 per unit, completed on April 10, 2018 and the Company sold an additional 168,889 units at the offering price for additional gross proceeds of $1,189,856 ($1,100,238 net of closing costs including cash commission of $76,988). Each unit consisted of one Common Share of the Company and one warrant, each warrant entitling the holder thereof to acquire one Common Share at an exercise price of CDN $10.50 and expiring April 10, 2023.

Offerings During Q4 2017

On December 5, 2017, the Company completed an offering of securities made pursuant to an agency agreement dated November 30, 2017 between the Company and Bloom Burton. The Company sold 1,533,333 units at a price of CDN $15.00 per unit for gross proceeds of approximately $18,137,800 ($16,555,875 net of closing costs including cash commission of $1,246,185). Each unit consisted of one common share and one warrant, each warrant entitling the holder thereof to acquire one additional common share at an exercise price of CDN $18.00 and expiring December 5, 2022.

On October 20, 2017 and October 30, 2017, the Company completed a non-brokered private placement offering of 446,197 common shares, for aggregate gross proceeds of $2,677,326 (CDN$3,343,416), to subscribers in Canada, the United States and Europe.

Offerings During Q2 and Q3 2017

On June 29, 2017, the Company completed an offering of securities pursuant to an agency agreement dated June 26, 2017 between the Company and Bloom Burton. At the first closing on June 29, 2017, the Company sold 1,612,955 units at a price of CDN $4.50 per unit for gross proceeds of approximately $5,576,357 ($4,838,002 net of closing costs including cash commission of $382,689). Each unit consisted of one common share and one warrant, each warrant entitles the holder thereof to acquire one common share at an exercise price of CDN $6.00 and expires June 29, 2022. In addition to the cash commission paid to Bloom Burton and selling group members, broker warrants were issued to Bloom Burton and selling group members, which entitle the holder to purchase 109,533 common shares at a price of CDN $4.50 per share prior to expiry on June 29, 2019.

On July 21, 2017, the Company completed a second closing pursuant to which the Company sold an additional 370,567 units at a price of CDN $4.50 per unit for gross proceeds of approximately $1,328,871 ($1,200,788 net of closing costs including cash commission of $93,021). Each unit consisted of one common share and one warrant, each warrant entitles the holder thereof to acquire one common share at an exercise price of CDN $6.00 and expiring June 29, 2022.

Offerings During Q1 2017

On March 16, 2017, Titan completed an offering of securities made pursuant to an agency agreement dated March 10, 2017 between the Company and Bloom Burton. The Company sold 715,573 units under the offering at a price of CDN$10.50 per unit for gross proceeds of approximately $5,642,537 ($5,039,817 net of closing cost including cash commission of $394,316). Each unit consisted of one common share and (i) one-half of one warrant, each whole warrant entitling the holder thereof to acquire one common share of the Company at an exercise price of CDN $12.00 and expiring March 16, 2019, and (ii) one-half of one warrant, each whole warrant entitling the holder thereof to acquire one common share at an exercise price of CDN $15.00 and expiring March 16, 2021.

Private Placements – Longtai Medical Inc.

On August 24, 2017, Titan completed a subscription agreement with Longtai Medical Inc. (“Longtai”) for the equity conversion of Longtai’s $2.0 million distribution deposit. Under the terms of the subscription agreement dated July 31, 2017, Titan issued to Longtai 563,067 units at an assigned issue price of CDN $4.50 per unit. Each unit consists of one Common Share and one warrant, with each warrant exercisable for one Common Share at an exercise price of CDN $6.00 per warrant prior to expiry on August 24, 2022. The warrants were valued at $822,372 based on the value of comparable warrants at the time. The common shares were valued at $1,887,411 based on the market value on August 24, 2017 of CDN $4.20. In addition, because the warrant and the Common Share were valued at fair value in accordance with International Financial Reporting Interpretations Committee Interpretation #19-Extinguishing Financial Liabilities (“IFRIC 19”), a loss of $709,782 was incurred on extinguishment which is included in the gain (Loss) on change in value of warrant liability in the unaudited condensed.

The utilization of proceeds as outlined in the short form prospectus dated April 3, 2018 and August 7, 2018 has been updated as outlined in the following table

	Proceeds from the Offering as outlined in the short-form prospectus dated April 3, 2018 (including the May 10, 2018 overallotment)	Proceeds from the Offering as outlined in the short-form prospectus dated August 7, 2018	Total
Ongoing development and commercialization of the SPORT Surgical System	$ 6,649,246	$ 13,971,769	$ 20,621,015
General working Capital requirements	1,662,312	3,492,942	5,155,254
Total Net Proceeds	$ 8,311,558	$ 17,464,711	$ 25,776,269

Off-Balance Sheet Arrangements

Other than for leased premises occupied by the Company, as discussed in note 8 of the audited financial statements for the year ended December 31, 2018 and 2017, the Company does not utilize off balance sheet arrangements.

Outstanding Share Data

The following table summarizes the outstanding share capital as of the date of this MD&A:

Type of Securities	**Number of Common Shares issued or issuable upon conversion**
Common Shares	22,295,455
Stock options(1)	925,782
Warrants	13,282,253
Broker warrants(2)	786,183

Notes:

(1) The Company has outstanding options enabling certain employees, directors, officers and consultants to purchase Common Shares. Please refer to note 4(b) of the Interim Financial Statements for terms of such options.

(2) Pursuant to the agency agreement in respect of the March 2017 offering, in addition to the cash commission paid to the agents, 50,005 broker warrants were issued to the agents. Each broker warrant entitles the holder thereof to acquire one Common Share at the price of CDN $10.50 for a period of 24 months following the closing date.

Pursuant to the agency agreement in respect of the June 2017 offering, in addition to the cash commission paid to the agents, 135,473 broker warrants were issued to the agents. Each broker warrant entitles the holder thereof to acquire one Common Share at the price of CDN $4.50 for a period of 24 months following the closing date.

Pursuant to the agency agreement in respect of the December 2017 offering, in addition to the cash commission paid to the agents, 105,350 broker warrants were issued to the agents. Each broker warrant entitles the holder thereof to acquire one Common Share at the price of CDN $15.00 for a period of 24 months following the closing date.

Pursuant to the agency agreement in respect of the April 2018 offering, in addition to the cash commission paid to the agents, 89,795 broker warrants were issued to the agents. Each broker warrant entitles the holder thereof to acquire one Common Share at the price of CDN $9.00 for a period of 24 months following the closing date.

Pursuant to the agency agreement in respect of the August 2018 offering, in addition to the cash commission paid to the agents, 537,570 broker warrants were issued to the agents. Each broker warrant entitles the holder thereof to acquire one Common Share at the price of CDN $2.50 for a period of 24 months following the closing date.

A total of 918,193 broker warrants were issued in connection with the March 2017, June 2017, December 2017 April 2018, and August 2018 offerings. As of the date hereof, 786,183 broker warrants remain outstanding.

Accounting Policies

The accounting policies set out in the notes to the audited financial statements have been applied in preparing the audited financial statements for the year ended December 31, 2018, and the comparative information presented in the audited financial statements for the year ended December 31, 2017.

These financial statements have been prepared in accordance with accounting principles applicable to going concern, which contemplates that the Company will be able to realize its assets and settle its liabilities in the normal course as they come due during the normal course of operations for the foreseeable future. The Company has shareholders' deficiency of $172,937,694 and current losses of $22,639,272. The Company currently does not generate any revenue (other than interest income on its cash balances) and accordingly it is primarily dependent upon equity financing for any additional funding required for development and operating expenses. The Company expects that approximately US $45 million in incremental funding is needed, for the next 12 months to maintain its currently anticipated pace of development. If additional funding is not available, the pace of the Company's product development plan may be reduced. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern if additional funding is not secured. However, based on internal forecasts, Management believes that the Company has sufficient funds to meet its obligations under a reduced development plan, if necessary, for the ensuing twelve months.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of provisions at the date of the financial statements and the reported amount of expenses during the period. Financial statement items subject to significant judgement include, (a) the measurement of stock based compensation and (b) the fair value estimate of the initial measurement of new warrant liabilities. While management believes that the estimates and assumptions are reasonable, actual results may differ.

(a) Stock Options

The Black-Scholes model used by the Company to determine fair values of stock options and warrants was developed for use in estimating the fair value of the stock options and warrants. This model requires the input of highly subjective assumptions including future stock price volatility and expected time until exercise. Changes in the subjective input assumptions can materially affect the fair value estimate.

(b) Warrant Liability

In accordance with IAS 32, since the exercise price of new warrants are not a fixed amount, they are denominated in a currency (Canadian dollar) other than the Company's functional currency (U.S. dollar), as well as the warrants issued August 10, 2018 with the cashless exercise option. The warrants are accounted for as a derivative financial liability. The warrant liability is initially measured at fair value and subsequent changes in fair value are recorded through net and comprehensive Loss for the period. The accounting guidance for fair value measurements prioritizes the inputs used in measuring fair value into the following hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within Level 1 that are directly or indirectly observable;

Level 3 – Unobservable inputs in which little or no market activity exists, therefore requiring an entity to develop its own assumptions about the assumptions that market participants would use in pricing.

The fair value of the Company's warrant liability is initially based on level 2 (significant observable inputs) and at December 31, 2018 is based on level 1, quoted prices (unadjusted) in an active market, for the Company's listed warrants and level 2 for the Company's unlisted warrants.

Related Party Transactions

During the year ended December 31, 2018, transactions between the Company and directors, officers and other related parties were related to compensation matters in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities and warrant liability. The fair value of these financial instruments approximates their carrying values, unless otherwise noted, due to the short term maturities of these instruments or the discount rate applied.

Outlook

By internal estimates, management believes there is an opportunity for the Company to access an unaddressed U.S. market that potentially may include more than $12 billion in capital equipment revenue and more than $3 billion in associated annual recurring revenue, including smaller hospitals and the underserved ambulatory surgery center market segment.

To date, experienced robotic surgeons performed 45 single-port procedures, including 43 live porcine and two cadaver studies, at the Company's three Centers of Excellence in the US and Europe using the SPORT Surgical System. These studies assisted in validating prototype performance in preclinical settings.

During the studies, essential areas for improvement of the surgical system were identified, including enhancements to the camera and light source, hand controls, instruments and the mechanisms of the patient cart and software throughout the system to ensure safe and reliable system operation. The final design is intended to address performance and usability requirements of prospective surgeon customers, as well as the needs of operating room support personnel and hospital administrators. The Company successfully completed, on schedule, the planned SPORT Surgical System capital equipment engineering confidence build based on the improved design by year-end 2018.

In the first quarter of 2019, the Company plans to complete and document the results of confidence build unit testing, implement subsystem design improvements and schedule the preliminary audit of the Company's quality system by a European Notified Body.

Throughout the balance of 2019, management plans to continue to focus on product development for manufacturing, including hardware and software at all levels, involving the workstation, patient cart, instruments, camera and light source, and disposable components that facilitate successful surgery. As improvements are identified and made to the system, advanced prototypes will be upgraded and deployed at one or more of the Centers of Excellence for further preclinical evaluation in live animal and cadaver studies to ensure that the improvements are effective. This work must be completed before achieving design freeze and proceeding with summative evaluation usability tests with the final product, and validation studies required for regulatory filings.

In preparation for its planned FDA 510(k) application, the Company has already filed several Q-Submissions with the FDA to clarify in detail the preclinical studies and confirmatory human data required to support its submission. The associated Q-Submission milestone has been achieved well in advance of an earlier projection for completion in 2019. The Company plans to design and execute its studies based on the FDA's responses, with the intent of filing a fully compliant 510(k) application by year-end.

Through its correspondence and discussions with the FDA, the Company has confirmed that confirmatory human data will be required for its planned regulatory submission. The performance of human surgeries with the SPORT Surgical System will require an Investigational Device Exemption ("IDE") from the FDA, which must be submitted and approved in advance. Further, the recruitment of surgeons from multiple hospital sites will be necessary to perform the surgeries. Each of these sites will require approval of their independent Institutional Review Board ("IRB") to approve the studies. During the first three quarters of 2019, the Company plans to pursue the recruitment of surgeons and hospitals for the studies, IDE approval by the FDA, and approvals by the IRB of each hospital, in preparation for the confirmatory human studies planned for completion during the fourth quarter.

Over the next twelve months, the Company plans to raise additional capital to finance the development and commercialization of the SPORT Surgical System. The company will continue to explore alternative sources in order to minimize dilutive effects, including strategic partnerships, private placements and debt. Management will continue to assess the reasonableness of development milestones, as well as timelines and related cost estimates, as financing is secured and development continues.

The Company continues to engage external technical experts and subcontractors with experience in key technical areas to provide an accelerated pathway to subsystems development with current technology. Further, the Company plans to continue to protect its intellectual property by securing additional patents. The pace at which the Company can carry out these activities will be substantially dependent on its ability to raise the necessary capital on a timely basis.

Additional information relating to the Company, including Titan's Annual Information Form for the 2017 fiscal year, is available on SEDAR at www.sedar.com.

Exhibit 99.3

FORM 52-109F1
CERTIFICATION OF ANNUAL FILINGS
FULL CERTIFICATE

I, **David McNally,** ***President and Chief Executive Officer, Titan Medical Inc.,*** certify the following:

1. ***Review:*** I have reviewed the AIF, if any, annual financial statements and annual MD&A, including, for greater certainty, all documents and information that are incorporated by reference in the AIF (together, the "annual filings") of **Titan Medical Inc.** (the "issuer") for the financial year ended December 31, 2018.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the annual filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the annual financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date of and for the periods presented in the annual filings.

4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the financial year end

(a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

(i) material information relating to the issuer is made known to us by others, particularly during the period in which the annual filings are being prepared; and

(ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is **Integrated Framework (COSO)**.

5.2 ***ICFR – material weakness relating to design: N/A***
(a) a description of the material weakness;

5.3 ***Limitation on scope of design: N/A***

6. ***Evaluation:*** The issuer's other certifying officer(s) and I have

(a) evaluated, or caused to be evaluated under our supervision, the effectiveness of the issuer's DC&P at the financial year end and the issuer has disclosed in its annual MD&A our conclusions about the effectiveness of DC&P at the financial year end based on that evaluation; and

(b) evaluated, or caused to be evaluated under our supervision, the effectiveness of the issuer's ICFR at the financial year end and the issuer has disclosed in its annual MD&A

(i) our conclusions about the effectiveness of ICFR at the financial year end based on that evaluation; and

(ii) for each material weakness relating to operation existing at the financial year end

(A) a description of the material weakness; **N/A**

(B) the impact of the material weakness on the issuer's financial reporting and its ICFR;**N/A** and

(C) the issuer's current plans, if any, or any actions already undertaken, for remediating the material weakness. **N/A**

7. ***Reporting changes in ICFR:*** The issuer has disclosed in its annual MD&A any change in the issuer's ICFR that occurred during the period beginning on January 1, 2018 and ended December 31, 2018 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

8. ***Reporting to the issuer's auditors and board of directors or audit committee:***The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of ICFR, to the issuer's auditors, and the board of directors or the audit committee of the board of directors any fraud that involves management or other employees who have a significant role in the issuer's ICFR.

Date: **February 13, 2019**

*(*SIGNED*) "David McNally"*
President and Chief Executive Officer

Exhibit 99.4

FORM 52-109F1
CERTIFICATION OF ANNUAL FILINGS
FULL CERTIFICATE

I, ***Stephen Randall, Chief Financial Officer, Titan Medical Inc.,*** certify the following:

1 . ***Review:*** I have reviewed the AIF, if any, annual financial statements and annual MD&A, including, for greater certainty, all documents and information that are incorporated by reference in the AIF (together, the "annual filings") of **Titan Medical Inc.** (the "issuer") for the financial year ended December 31, 2018.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the annual filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the annual financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date of and for the periods presented in the annual filings.

4 . ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the financial year end

(a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

(i) material information relating to the issuer is made known to us by others, particularly during the period in which the annual filings are being prepared; and

(ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is **Integrated Framework (COSO).**

5.2 ***ICFR – material weakness relating to design: N/A***

5.3 ***Limitation on scope of design: N/A***

6. ***Evaluation:*** The issuer's other certifying officer(s) and I have

(a) evaluated, or caused to be evaluated under our supervision, the effectiveness of the issuer's DC&P at the financial year end and the issuer has disclosed in its annual MD&A our conclusions about the effectiveness of DC&P at the financial year end based on that evaluation; and

(b) evaluated, or caused to be evaluated under our supervision, the effectiveness of the issuer's ICFR at the financial year end and the issuer has disclosed in its annual MD&A

(i) our conclusions about the effectiveness of ICFR at the financial year end based on that evaluation; and

(ii) for each material weakness relating to operation existing at the financial year end

(A) a description of the material weakness; **N/A**

(B) the impact of the material weakness on the issuer's financial reporting and its ICFR;**N/A** and

(C) the issuer's current plans, if any, or any actions already undertaken, for remediating the material weakness**. N/A**

7. ***Reporting changes in ICFR:*** The issuer has disclosed in its annual MD&A any change in the issuer's ICFR that occurred during the period beginning on**January 1, 2018 and ended December 31, 2018** that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

8. ***Reporting to the issuer's auditors and board of directors or audit committee:*** The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of ICFR, to the issuer's auditors, and the board of directors or the audit committee of the board of directors any fraud that involves management or other employees who have a significant role in the issuer's ICFR.

Date: **February 13, 2019**

(SIGNED) *"Stephen Randall"*
Chief Financial Officer