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 May, 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: May 30, 2019

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

EXHIBIT INDEX

99.1	News release dated August 10, 2018
99.2	Warrant Indenture dated March 21, 2019
99.3	Notice of the meeting and record date, dated March 22, 2019
99.4	Material Change Report dated March 28, 2019
99.5	Notice of the meeting and record date (amended), dated April 24, 2019
99.6	Management Information Circular dated April 29, 2019

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Toronto, Ontario, Canada M5H 3B3 •Tel: 416.548.7522
info@titanmedicalinc.com • www.titanmedicalinc.com.

Titan Medical Announces Closing of Previously Announced Public Offering

TORONTO, August 10, 2018 – **Titan Medical Inc.** ("**Titan**" or the "**Company**") (TSX:TMD) (NASDAQ:TMDI), a medical device company focused on the design, development and commercialization of a robotic surgical system for application in minimally invasive surgery ("**MIS**"), is pleased to announce the closing of its previously announced public offering (the "**Offering**") pursuant to an agency agreement dated August 7, 2018 between the Company and Bloom Burton Securities Inc. (the "**Agent**").

The Company completed the closing of the Offering on August 10, 2018 and issued 7,679,574 units (the "**Units**") for gross proceeds of US $19,198,935. Each Unit was issued at a price of US $2.50 per Unit and is comprised of one common share of the Company (a "**Common Share**") and one warrant entitling the holder to purchase one Common Share at a price of US $3.20 until expiry on August 10, 2023.

The Common Shares sold and issued in connection with the closing were listed and posted for trading on the Toronto Stock Exchange under the symbol TMD and on the NASDAQ Capital Market under the symbol "TMDI" at the opening on August 10, 2018.

The Units were qualified for sale by way of a prospectus dated August 7, 2018 (the "**Prospectus**") filed by the Company in each of the provinces of Ontario, British Columbia and Alberta, and a corresponding registration statement on Form F-10 (the "**Registration Statement**") with the United States Securities and Exchange Commission under the U.S.-Canada Multijurisdictional Disclosure System. The Units were offered for sale in the United States through Northland Capital Markets, who was appointed by the Agent as a sub-agent. Northland Capital Markets is a division of Northland Securities, Inc., member FINRA/SIPC.

The net proceeds of the Offering will be used to fund continued development work in connection with the Company's SPORT Surgical System, as well as for working capital and other general corporate purposes. Further details are disclosed in the Prospectus, available at www.sedar.com and the Registration Statement, available at www.sec.gov.

Related Party Transaction

An aggregate of 5,000 Units were issued to an insider of the Company under the Offering for gross proceeds of US $12,500. The insider subscription constitutes a "related party transaction" pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). In completing the insider subscription, the Company relied on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 set forth in sections 5.5(a) and 5.7(a) of MI 61-101, as the aggregate value of the insider subscription does not exceed 25% of the market capitalization of the Company. The Company did not file a material change report more than 21 days before the expected closing of the Offering due to the limited time between the commitment by the insider to purchase the subject Units and the closing.

About Titan

Titan is focused on research and development through to the planned commercialization of computer-assisted robotic surgical technologies for application in MIS. The Company is developing the SPORT Surgical System, a single-port robotic surgical system. The SPORT Surgical System is 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 an advanced ergonomic interface to the patient cart and a 3D endoscopic view inside the patient's body. Titan 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.

For more information, please visit the Company's website at www.titanmedicalinc.com.

Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of applicable Canadian and U.S. securities laws. Such statements reflect the current expectations of management of the Company's future growth, results of operations, performance and business prospects and opportunities. Wherever possible, words such as "may", "would", "could", "will", "anticipate", "believe", "plan", "expect", "intend", "estimate", "potential for" and similar expressions have been used to identify these forward-looking statements. These statements, including with respect to the use of the net proceeds of the Offering, reflect management's current beliefs with respect to future events and are based on information currently available to management. Forward-looking statements involve significant risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, without limitation, those listed in the "Risk Factors" section of the Company's Annual Information Form dated March 31, 2018 (which may be viewed at www.sedar.com). Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance, or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this news release. These factors should be considered carefully, and prospective investors should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in the news release are based upon what management currently believes to be reasonable assumptions, the Company cannot assure prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. Except as required by law, the Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Contact Information

LHA Investor Relations

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Exhibit 99.2

WARRANT INDENTURE

Providing for the Issue of Common Share Purchase Warrants

BETWEEN

TITAN MEDICAL INC.

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA

Dated as of March 21, 2019

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THIS WARRANT INDENTURE dated as of the 21 day of March, 2019.

B E T W E E N:

TITAN MEDICAL INC., a corporation existing under the laws of the Province of Ontario

(hereinafter called the "**Company**")

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA, a trust company licensed to carry on business in all Provinces in Canada

(hereinafter called the "**Warrant Agent**")

WHEREAS the Company proposes to issue and sell up to 8,455,882 Warrants (as hereinafter defined) pursuant to the Prospectus (as hereinafter defined) and this Indenture;

AND WHEREAS pursuant to this Indenture, each Warrant shall entitle the registered holder thereof to purchase one Common Share (as hereinafter defined) (subject to adjustment as herein provided) at the price and upon the terms and conditions herein set forth;

AND WHEREAS for such purpose the Company deems it necessary to create and issue Warrants constituted and issued in the manner hereinafter appearing and the Warrants shall be represented solely by Warrant Certificates (as hereinafter defined) issued under this Indenture;

AND WHEREAS all things necessary have been done and performed to make the Warrants and the Warrant Certificates (when certified by the Warrant Agent and issued as provided for in this Indenture) legal, valid and binding upon the Company with the benefits of and subject to the terms of this Indenture;

AND WHEREAS, as of the date hereof the Corporation has an effective Registration Statement (as defined below) under the Securities Act (as defined below);

AND WHEREAS the representations and statements of fact contained in the above recitals are those of the Company and not of the Warrant Agent;

NOW THEREFORE THIS INDENTURE WITNESSES that for good and valuable consideration mutually given and received, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed and declared as follows:

ARTICLE I
INTERPRETATION

1.1 Definitions

In this Indenture, unless there is something in the subject matter or context inconsistent therewith, the terms defined in this Section or elsewhere herein shall have the respective meanings specified in this Section or elsewhere herein:

(a) "**Affiliate**" has the meaning ascribed thereto in the Securities Act (Ontario), as amended or replaced from time to time;

(b) "**Agent**" means Bloom Burton Securities Inc.;

(c) "**Applicable Securities Laws**" means the applicable securities laws and regulations of each of the provinces and territories of Canada, and the applicable federal and state securities laws and regulations of the United States, together with all related rules, policies, notices and orders of applicable regulatory authorities;

(d) "**Authenticated**" means (a) with respect to the issuance of a Warrant Certificate, one which has been duly signed by the Corporation and authenticated by manual signature of an authorized officer of the Warrant Agent, (b) with respect to the issuance of an Uncertificated Warrant, one in respect of which the Warrant Agent has completed all Internal Procedures such that the particulars of such Uncertificated Warrant as required by Section 2.9 are entered in the register of Warrantholders, "Authenticate", "Authenticating" and "Authentication" have the appropriate correlative meanings;

(e) "**Business Day**" means a day which is not Saturday or Sunday or a statutory holiday in the City of Toronto or a day on which the principal office of the Warrant Agent in the City of Toronto is closed;

(f) "**Beneficial Owner**" means a person that has a beneficial interest in the Warrant that is represented by a Warrant Certificate or Uncertificated Warrant registered in the name of CDS or its nominee, the purposes of being held by or on behalf of CDS as custodians for CDS Participants;

(g) "**CDS**" or the "Depository" means CDS Clearing and Depository Services Inc. or its nominee;

(h) "**CDS Participant**" means a broker, dealer, bank or other financial institution or other person for whom, from time to time, CDS effects book entries for the Warrants deposited with CDS;

(i) "**Closing Date**" has the meaning ascribed to such term in the Prospectus;

(j) "**Common Shares**" or "Common Stock" means the common shares in the capital of the Company as such shares exist at the close of business on the date hereof and, in the event that there shall occur a change in respect of or affecting the Common Shares referred to in Section 5.1 (whether or not such change shall result in an adjustment in the Exercise Price), the term "Common Shares" or "Common Stock" shall mean the shares, other securities or other property which a Warrantholder is entitled to purchase upon the exercise of Warrants resulting from such change;

(k) "**Company**" means Titan Medical Inc., a corporation existing under the laws of the Province of Ontario, and its lawful successors from time to time;

(l) "**Company's Auditors**" means the chartered accountant or firm of chartered accountants duly appointed as auditor or auditors of the Company from time to time;

(m) "**Confirmation**" means a confirmation sent by CDS to the Warrant Agent in connection with the exercise of a Warrant by a Beneficial Owner through a CDS Participant;

(n) "**Counsel**" means a barrister or solicitor (who may be an employee of the Company) or a firm of barristers and solicitors (who may be counsel to the Company), in both cases acceptable to the Warrant Agent, acting reasonably;

(o) "**Court**" has the meaning attributed thereto in subsection 11.7(1);

(p) "**Current Market Price**" at any date, means the volume weighted average price per share at which the Common Shares have traded:

(i) on the TSX;

(ii) if the Common Shares are not listed on the TSX, on any stock exchange upon which the Common Shares are listed as may be selected for this purpose by the directors, acting reasonably and in good faith; or

(iii) if the Common Shares are not listed on any stock exchange, on any over-the-counter market;

during the 20 consecutive trading days (on each of which at least 500 Common Shares are traded in board lots) ending the second trading day before such date and the weighted average price shall be determined by dividing the aggregate sale price of all Common Shares sold in board lots on the exchange or market, as the case may be, during such 20 consecutive trading days by the number of Common Shares sold, or if not traded on any recognized market or exchange, as determined by the directors of the Company acting reasonably;

(q) "**Date of Issue**" for a particular Warrant means the date on which the Warrant is actually issued by or on behalf of the Company;

(r) "**Director**" means a director of the Company for the time being, and, unless otherwise specified herein, reference to "action by the Directors" means action by the Directors of the Company as a board, or whenever duly empowered, action by any committee of such board;

(s) "**Exchange Act**" means the United States Securities Exchange Act of 1934, as amended;

(t) "**Exercise Date**" with respect to any Warrant means the date on which the Warrant Certificate representing such Warrant is surrendered for exercise in accordance with the provisions of Article IV;

(u) "**Exercise Period**" means the period commencing on the time of issue on the Date of Issue and ending at the Time of Expiry;

(v) "**Exercise Price**" means a price per Common Share of US$ 4.00 unless such price shall have been adjusted in accordance with the provisions of Section 5.1, in which case it shall mean such adjusted price in effect at such time;

(w) "**Extraordinary Resolution**" has the meaning attributed thereto in Section 9.11;

(x) "**Internal Procedures**" means in respect of the making of any one or more entries to, changes in or deletions of any one or more entries in the register at any time (including without limitation, original issuance or registration of transfer of ownership) the minimum number of the Warrant Agent's internal procedures customary at such time for the entry, change or deletion made to be complete under the operating procedures followed at the time by the Warrant Agent, it being understood that neither preparation and issuance shall constitute part of such procedures for any purpose of this definition;

(y) "**NASDAQ**" means the NASDAQ Capital Market;

(z) "**Person**" means an individual, a corporation, a partnership, a syndicate, a trustee or any unincorporated organization and words importing persons are intended to have a similarly extended meaning;

(aa) "**Prospectus**" means the final short form prospectus dated March 18, 2019;

(bb) "**Registration Statement**" means the Form F-10 registration statement filed with the SEC under the Securities Act registering the Common Shares issuable upon exercise of the Warrants;

(cc) "**SEC**" or "Commission" means the United States Securities and Exchange Commission;

(dd) "**Securities**" means the Common Shares and Warrants;

(ee) "**Securities Act**" means the United States Securities Act of 1933, as amended;

(ff) "**Shareholder**" means a holder of record of one or more Common Shares;

(gg) "**Subsidiary of the Company**" means a corporation of which voting securities carrying a majority of the votes attached to all voting securities are held, directly or indirectly other than by way of security only, by or for the benefit of the Company, the Company and one or more subsidiaries thereof, or one or more subsidiaries of the Company; and, as used in this definition, voting securities means securities of a class or series or classes or series carrying a voting right to elect directors under all circumstances provided that, for the purposes hereof, securities which only carry the right to vote conditionally on the happening of an event shall not be considered voting securities whether or not such event shall have happened nor shall any securities be deemed to cease to be voting securities solely by reason of a right to vote accruing to securities of another class or series or classes or series by reason of the happening of such event;

(hh) "**this Warrant Indenture**", "**this Indenture**", "**herein**", "**hereby**", and similar expressions mean and refer to this Indenture and any indenture, deed or instrument supplemental or ancillary hereto; and the expressions "**Article**", "Section", and "subsection" followed by a number mean and refer to the specified Article, Section or subsection of this Indenture;

(ii) "**Time of Expiry**" means 5:00 p.m. (Toronto time) on March 21, 2024 (being the date that is 60 months after the date of this Indenture);

(jj) "**Trading Day**" means a day on which either the TSX or NASDAQ are open for trading;

(kk) "**Transfer Agent**" means, with respect to the Common Shares in Canada, Computershare Investor Services Inc. or, with respect to the Common Shares in the United States, Computershare Trust Company, N.A.;

(ll) "**TSX**" means the Toronto Stock Exchange;

(mm) "**Uncertificated Warrant**" means any Warrant which is not issued as part of a Warrant Certificate;

(nn) "**Unit**" has the meaning ascribed to such term in the Prospectus;

(oo) "**United States**" means the United States of America as that term is defined in Regulation S;

(pp) "**U.S. Person**" means a "U.S. person" as that term is defined in Regulation S;

(qq) "**U.S. Purchaser**" means an original purchaser of Units of which the Warrants comprise a part who was, at the time of purchase, either an Institutional Accredited Investor or a Qualified Institutional Buyer and (a) a U.S. Person, (b) any person purchasing such Units on behalf of, or for the account or benefit of, any U.S. Person or any person in the United States, (c) any person who receives or received an offer to acquire such Units while in the United States, and (d) any person who was in the United States at the time such person's buy order was made or the subscription agreement pursuant to which such Units were acquired was executed or delivered;

(rr) "**Warrant**" means each common share purchase warrant of the Company issued or to be issued hereunder entitling the holder thereof to purchase one Common Share for each Warrant upon payment of the Exercise Price; provided that in each case the number and/or class of shares or securities receivable on the exercise of the Warrant may be subject to increase or decrease or change in accordance with the terms and provisions hereof;

(ss) "**Warrant Agent**" means Computershare Trust Company of Canada, or its successors hereunder;

(tt) "**Warrant Certificate**" means a certificate representing one or more Warrants substantially in the form set forth in Schedule "A" hereto or such other form as may be approved by the Company, the Agent and the Warrant Agent. To the extent that the Warrants are in the non-certificated issuer system, then this term shall mean the appropriate evidence of such warrants pursuant to the non-certificated issuer system;

(uu) "**Warrantholders**" or "holders" without reference to Common Shares means the Persons whose names are entered for the time being on the register maintained pursuant to Section 3.2(1);

(vv) "**Warrantholders**' Request" means an instrument signed in one or more counterparts by Warrantholders entitled to purchase, in the aggregate, not less than 10% of the aggregate number of Warrants then unexercised and outstanding, which requests the Warrant Agent to take some action or proceeding specified therein; and

(ww) "**written order of the Company**", "written request of the Company", "written consent of the Company" and "certificate of the Company" and any other document required to be signed by the Company, means, respectively, a written order, request, consent, certificate or other document signed in the name of the Company by any officer or director and may consist of one or more instruments so executed.

1.2 Number and Gender

Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

1.3 Interpretation Not Affected by Headings, Etc.

The division of this Indenture into Articles, Sections and subsections, the provision of a table of contents and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Indenture or the Warrant Certificates.

1.4 Day Not a Business Day

In the event that any day on or before which any action is required to be taken hereunder is not a Business Day, then such action shall be required to be taken on or before the requisite time on the next succeeding day that is a Business Day.

1.5 Governing Law

This Indenture and the Warrant Certificates shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as Ontario contracts.

1.6 Currency

Except as otherwise specified herein, all dollar amounts herein are expressed in lawful money of the United States.

1.7 Meaning of "Outstanding"

Every Warrant represented by a Warrant Certificate countersigned and delivered by the Warrant Agent hereunder shall be deemed to be outstanding until it shall be cancelled or exercised pursuant to Article IV, provided that where a new Warrant Certificate has been issued pursuant to Section 2.3 hereof to replace one which has been mutilated, lost, destroyed or stolen, the Warrants represented by only one of such Warrant Certificates shall be counted for the purpose of determining the aggregate number of Warrants outstanding.

1.8 Severability

In the event that any provision hereof shall be determined to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remainder of such provision and any other provision hereof shall not be affected or impaired thereby.

1.9 Statutory References

In this Indenture, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulation made thereunder.

ARTICLE II
ISSUE OF WARRANTS

2.1 Issue of Warrants

Up to 8,455,882 Warrants are hereby created and authorized to be issued and certificates evidencing such Warrants as have been issued shall be executed by the Company, certified by or on behalf of the Warrant Agent upon the written order of the Company and delivered in accordance with this Article.

2.2 Form and Terms of Warrants

(1) Subject to subsection 2.2(2), each Warrant authorized to be issued hereunder shall entitle the holder thereof to purchase upon due exercise and upon due execution and endorsement of the Notice of Exercise on the Warrant Certificate or other instrument of subscription in such form as the Warrant Agent and/or the Company may from time to time prescribe and upon payment of the Exercise Price in effect on the Exercise Date, one Common Share at any time during the Exercise Period, in accordance with the provisions of this Indenture.

(2) The number of Common Shares which may be purchased pursuant to the Warrants and the Exercise Price shall be adjusted in the events and in the manner specified in Section 5.1.

(3) The Warrants may be issued in both certificated and uncertificated form, except that all Warrants originally issued to a U.S. Purchaser will be issued in certificated form only. Warrant Certificates for the Warrants shall be substantially in the form attached as Schedule "A" hereto, with such additions, variations and changes as may be required or permitted by the terms of this Indenture, and which may from time to time be agreed upon by the Warrant Agent and the Company, and shall bear such legends and such distinguishing letters and numbers as the Company may, with the approval of the Warrant Agent, prescribe. The Warrant Certificates shall be dated as of the date hereof or on such other Closing Date upon which Warrants shall be issued.

(4) Subject to subsection 2.2(5), Warrant Certificates shall be issuable in any denomination.

(5) If a Warrantholder is entitled to a fraction of a Warrant the number of Warrants issued to that Warrantholder shall be rounded down to the nearest whole Warrant.

(6) The Warrant Certificates may be engraved, lithographed or printed (the expression "printed" including for purposes hereof both original typewritten material as well as mimeographed, mechanically, photographically, photostatically or electronically reproduced, typewritten or other written material), or partly in one form and partly in another, as the Company, with the approval of the Warrant Agent, may determine. No change in the form of the Warrant Certificate shall be required by reason of any adjustment made pursuant to Section 5.1 in the number and/or class of securities or type of securities that may be acquired pursuant to the Warrants.

2.3 Issue in Substitution for Lost Warrant Certificates

(1) In the event that any Warrant Certificates issued and certified under this Indenture shall be mutilated, lost, destroyed or stolen, the Company, subject to applicable law, shall issue and thereupon the Warrant Agent shall certify and deliver, a new certificate of like tenor, and bearing the same legends, as the one mutilated, lost, destroyed or stolen in exchange for and in place of and upon cancellation of such mutilated certificate, or in lieu of and in substitution for such lost, destroyed or stolen certificate, and the substituted certificate shall be in a form approved by the Warrant Agent and shall be entitled to the benefits hereof and shall rank equally in accordance with its terms with all other Warrant Certificates issued or to be issued hereunder.

(2) The applicant for the issue of a new certificate pursuant to this Section 2.3 shall bear the reasonable cost of the issue thereof and in case of loss, destruction or theft shall, as a condition precedent to the issue thereof, furnish to the Company and to the Warrant Agent such evidence of ownership and of the loss, destruction or theft of the certificate so lost, destroyed or stolen as shall be satisfactory to the Company and to the Warrant Agent in their sole discretion, acting reasonably, and such applicant shall also be required to furnish an indemnity and surety bond in amount and form satisfactory to the Company and the Warrant Agent, each acting reasonably, to save each of them harmless, and shall pay the reasonable expenses, charges and any taxes applicable thereto to the Company and the Warrant Agent in connection therewith.

2.4 Non-Certificated Deposit

(1) Subject to the provisions hereof, at the Company's option, Warrants, other than those issued pursuant to a U.S. Purchaser (which will be evidenced in certificated form only), will be issued and registered in the name of CDS or its nominee and:

(A) may be directly deposited by the Warrant Agent to CDS; and

(B) shall be identified by the CUSIP/ISIN 88830X330 /CA88830X3307

(2) If the Company issues Warrants in a non-certificated format, Beneficial Owners of such Warrants registered and deposited with CDS shall not receive Warrant Certificates in definitive form and shall not be considered owners or holders thereof under this Indenture or any supplemental agreement. Beneficial interests in Warrants registered and deposited with CDS will be represented only through the non-certificated inventory system administered by CDS. Transfers of Warrants registered and deposited with CDS between CDS Participants shall occur in accordance with the rules and procedures of CDS. Neither the Company nor the Warrant Agent shall have any responsibility or liability for any aspects of the records relating to or payments made by CDS or its nominee, on account of the beneficial interests in Warrants registered and deposited with CDS. Nothing herein shall prevent the Beneficial Owners of Warrants registered and deposited with CDS from voting such Warrants using duly executed proxies.

(3) All references herein to actions by, notices given or payments made to Warrantholders shall, where Warrants are held through CDS, refer to actions taken by, or notices given or payments made to, CDS upon instruction from the CDS Participants in accordance with its rules and procedures. For the purposes of any provision hereof requiring or permitting actions with the consent of or at the direction of Warrantholders evidencing a specified percentage of the aggregate Warrants outstanding, such direction or consent may be given by Beneficial Owners acting through CDS and the CDS Participants owning Warrants evidencing the requisite percentage of the Warrants. The rights of a Beneficial Owner whose Warrants are held through CDS shall be exercised only through CDS and the CDS Participants and shall be limited to those established by law and agreements between such Beneficial Owners and CDS and the CDS Participants upon instructions from the CDS Participants. Each of the Warrant Agent and the Company may deal with CDS for all purposes (including the making of payments) as the authorized representative of the respective Warrants and such dealing with CDS shall constitute satisfaction or performance, as applicable, of their respective obligations hereunder.

(4) For so long as Warrants are held through CDS, if any notice or other communication is required to be given to Warrantholders, the Warrant Agent will give such notices and communications to CDS.

(5) If CDS resigns or is removed from its responsibility as Depository and the Warrant Agent is unable or does not wish to locate a qualified successor, CDS shall provide the Warrant Agent with instructions for registration of Warrants in the names and in the amounts specified by CDS and the Company shall issue and the Warrant Agent shall certify and deliver the aggregate number of Warrants then outstanding in the form of definitive Warrant Certificates representing such Warrants.

(6) Every Warrant Authenticated upon registration of transfer of an Uncertificated Warrant, or in exchange for or in lieu of an Uncertificated Warrant or any portion thereof, whether pursuant to this Section 2.4 or otherwise, shall be Authenticated in the form of, and shall be, an Uncertificated Warrant, unless such Warrant is registered in the name of a person other than the Depository for such Uncertificated Warrant or a nominee thereof.

(7) The rights of Beneficial Owners who hold securities entitlements in respect of the Warrants through the non-certificated inventory system administered by CDS shall be limited to those established by applicable law and agreements between the Depository and the CDS Participants and between such CDS Participants and the Beneficial Owners who hold securities entitlements in respect of the Warrants through the non-certificated inventory system administered by CDS, and such rights must be exercised through a CDS Participant in accordance with the rules and procedures of the Depository.

(8) Notwithstanding anything herein to the contrary, neither the Company nor the Warrant Agent nor any agent thereof shall have any responsibility or liability for:

(A) the electronic records maintained by the Depository relating to any ownership interests or any other interests in the Warrants or the depository system maintained by the Depository, or payments made on account of any ownership interest or any other interest of any person in any Warrants represented by an electronic position in the non-certificated inventory system administered by CDS (other than the Depository or its nominee);

(B) for maintaining, supervising or reviewing any records of the Depository or any CDS Participant relating to any such interest; or

(C) any advice or representation made or given by the Depository or those contained herein that relate to the rules and regulations of the Depository or any action to be taken by the Depository on its own direction or at the direction of any CDS Participant.

(9) The Company may terminate the application of this Section 2.4 in its sole discretion in which case all Warrants shall be evidenced by Warrant Certificates registered in the name of a person other than the Depository.

(10) Notwithstanding the foregoing, upon request of the Beneficial Owner, through the Depository, the Warrant Agent shall issue a Warrant Certificate in respect of the interest of such Beneficial Owner, in which case the Uncertificated Warrant representing such Warrants shall be reduced accordingly and such Warrants shall be duly registered as directed by the Depository.

2.5 Warrantholder not a Shareholder

Nothing in this Indenture or in the holding of a Warrant evidenced by a Warrant Certificate or otherwise, shall be construed as conferring upon a Warrantholder any right or interest whatsoever as a Shareholder of the Company, including, but not limited to, the right to vote at, to receive notice of, or to attend, meetings of shareholders or any other proceedings of the Company, nor entitle the holder to any right or interest in respect thereof except as herein and in the Warrants expressly provided.

2.6 Warrants to Rank Pari Passu

All Warrants shall rank *pari passu*, whatever may be the respective Dates of Issue of the same.

2.7 Signing of Warrant Certificates

The Warrant Certificates shall be signed by any one of the directors or officers of the Company and may, but need not, be under the corporate seal of the Company or a reproduction thereof. The signature of any such director or officer may be mechanically reproduced and Warrant Certificates bearing such mechanically reproduced signatures shall be binding upon the Company as if they had been manually signed by such director or officer. Notwithstanding that the person whose manual or mechanically reproduced signature appears on any Warrant Certificate as a director or officer may no longer holds office at the date of issue of the Warrant Certificate or at the date of certification or delivery thereof, any Warrant Certificate signed as aforesaid shall, subject to Section 2.7, be valid and binding upon the Company and the registered holder thereof will be entitled to the benefits of this Indenture.

2.8 Certification by the Warrant Agent

(1) No Warrant Certificate shall be issued or, if issued, shall be valid for any purpose or entitle the registered holder to the benefit hereof or thereof until it has been certified by manual signature by or on behalf of the Warrant Agent, and such certification by the Warrant Agent upon any Warrant Certificate shall be conclusive evidence as against the Company that the Warrant Certificate so certified has been duly issued hereunder and that the holder is entitled to the benefit hereof.

(2) The certification of the Warrant Agent on Warrant Certificates issued hereunder shall not be construed as a representation or warranty by the Warrant Agent as to the validity of this Indenture or the Warrant Certificates (except the due certification thereof) and the Warrant Agent shall in no respect be liable or answerable for the use made of the Warrant Certificates or any of them or of the consideration therefor nor for any breach by the Company of its covenants herein, except as otherwise specified therein.

2.9 RESERVED.

2.10 Copy of Indenture

The Company shall, on the written request of the Warrantholder and without charge, provide the Warrantholder with a copy of this Indenture. A copy of this Indenture will also be available on the Company's profile on www.sedar.com.

ARTICLE III
EXCHANGE AND OWNERSHIP OF WARRANTS; NOTICES

3.1 Exchange of Warrant Certificates

(1) Warrant Certificates entitling Warrantholders to purchase any specified number of Common Shares may, upon compliance with the reasonable requirements of the Warrant Agent, be exchanged for one or more Warrant Certificates in any other authorized denomination bearing the same legends representing in the aggregate an equal number of Warrants as the number of Warrants represented by the Warrant Certificates being exchanged. The Company shall sign all Warrant Certificates necessary to carry out exchanges as aforesaid and such Warrant Certificates shall be certified by or on behalf of the Warrant Agent.

(2) Warrant Certificates may be exchanged only at the principal transfer office of the Warrant Agent in the City of Toronto, Ontario or at any other place that is designated by the Company with the approval of the Warrant Agent. Any Warrant Certificates tendered for exchange shall be surrendered to the Warrant Agent or its agents and cancelled.

(3) Except as otherwise herein provided, any Warrant Agent may charge the holder requesting an exchange a reasonable sum for each new Warrant Certificate issued in exchange for Warrant Certificate(s); and payment of such charges and reimbursement of the Warrant Agent or the Company for any and all stamp taxes or governmental or other charges required to be paid shall be made by such holder as a condition precedent to such exchange.

3.2 Registration of Warrants

(1) The Company shall, at all times while any Warrants are outstanding, cause the Warrant Agent and its agents to maintain a register in which will be entered in alphabetical order the names, latest known addresses of the Warrantholders and particulars of the Warrants held by them, and a register of transfers in which shall be entered the particulars of all transfers of Warrants, such registers to be kept by and at the principal transfer office of the Warrant Agent in the City of Toronto.

(2) At the office of the Warrant Agent during normal business hours, the holder of a Warrant may have such Warrant transferred in accordance with such reasonable requirements as the Warrant Agent may prescribe. The costs of any such transfer registration shall be borne by the transferee or presenter.

(3) The registers referred to in this Section 3.2 shall at all reasonable times be open for inspection by the Company and by any Warrantholder. The Warrant Agent, when requested in writing so to do by the Company, shall furnish the Company with a list of names and addresses of the Warrantholders showing the number of Warrants held by each Warrantholder.

(4) Once an Uncertificated Warrant has been Authenticated, the information set forth in the register with respect thereto at the time of Authentication may be altered, modified, amended, supplemented or otherwise changed only to reflect exercise or proper instructions to the Warrant Agent from the Warrantholder as provided herein, except that the Warrant Agent may act unilaterally to make purely administrative changes internal to the Warrant Agent and changes to correct errors. Each person who becomes a Warrantholder of an Uncertificated Warrant, by his, her or its acquisition thereof shall be deemed to have irrevocably (i) consented to the foregoing authority of the Warrant Agent to make such minor error corrections and (ii) agreed to pay to the Warrant Agent, promptly upon written demand, the full amount of all loss and expense (including without limitation reasonable legal fees of the Company and the Warrant Agent plus interest, at an appropriate then prevailing rate of interest to the Warrant Agent), sustained by the Company or the Warrant Agent as a proximate result of such error if but only if and only to the extent that such present or former Warrantholder realized any benefit as a result of such error and could reasonably have prevented, forestalled or minimized such loss and expense by prompt reporting of the error or avoidance of accepting benefits thereof whether or not such error is or should have been timely detected and corrected by the Warrant Agent; provided, that no person who is a bona fide purchaser shall have any such obligation to the Company or to the Warrant Agent.

3.3 Transfer of Warrants

(1) No transfer of a Warrant will be valid unless entered on the register of transfers referred to in subsection 3.2(1), upon surrender to the Warrant Agent of the Warrant Certificate evidencing such Warrant, and a duly completed and executed Transfer Form as attached to the Warrant Certificate executed by the registered holder or his executors, administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and execution satisfactory to the Warrant Agent, and, upon compliance with the conditions herein and such reasonable requirements as the Warrant Agent may prescribe, including compliance with all applicable securities legislation, such transfer will be recorded on the register of transfers by the Warrant Agent. Notwithstanding the foregoing, if the Warrants are Uncertificated Warrants, the provisions of Section 3.2(4) shall apply.

(2) The transferee of any Warrant will, after surrender to the Warrant Agent of the Warrant Certificate evidencing such Warrant as required by subsection 3.3(1) and upon compliance with all other conditions in respect thereof required by this Indenture or by applicable law, be entitled to be entered on the register of holders referred to in subsection 3.2(1) as the owner of such Warrant free from all equities or rights of set-off or counterclaim between the Company and the transferor or any previous holder of such Warrant, except in respect of equities of which the Company is required to take notice by statute or by order of a court of competent jurisdiction.

(3) The Company will be entitled, and may direct the Warrant Agent, to refuse to recognize any transfer, or enter the name of any transferee, of any Warrant on the registers referred to in subsection 3.2(1), if such transfer would, in the written opinion of counsel to the Company, constitute a violation of Applicable Securities Laws. The Warrant Agent is entitled to assume compliance with all applicable securities legislation unless otherwise notified in writing by the Company. The Warrant Agent shall have no obligation to ensure or verify compliance with any applicable laws or regulatory requirements on the issue, exercise or transfer of any Warrants or any Common Shares issuable upon the exercise thereof provided such issue, exercise or transfer is effected in accordance with the terms of this Warrant Indenture.

3.4 Ownership of Certificates

(1) Except in connection with the registration of Uncertificated Warrants, the Company and the Warrant Agent and their respective agents may deem and treat the holder of any Warrant Certificate as the absolute holder and owner of the Warrants evidenced thereby for all purposes, and the Company and the Warrant Agent shall not be affected by any notice or knowledge to the contrary and, without limiting the foregoing, shall not be bound by notice of any trust or be required to see to the execution thereof.

(2) Subject to the provisions of this Indenture and applicable law, a Warrantholder shall be entitled to the rights evidenced by such Warrant Certificate free from all equities or rights of set-off or counterclaim between the Company and the original or any intermediate holder thereof and all persons may act accordingly and the receipt by any such holder of the Common Shares obtainable pursuant thereto shall be a good discharge to the Company and the Warrant Agent for the same and neither the Company nor the Warrant Agent shall be bound to inquire into the title of any such holder, except where the Company or the Warrant Agent is required to take notice by statute or by order of a court of competent jurisdiction.

3.5 Evidence of Ownership

(1) Upon receipt of a certificate of any bank, trust company or other depositary satisfactory to the Warrant Agent stating that the Warrants specified therein have been deposited by a named person with such bank, trust company or other depositary and will remain so deposited until the expiry of the period specified therein, the Company and the Warrant Agent may treat the person so named as the owner, and such certificate as sufficient evidence of the ownership by such person of such Warrants during such period, for the purpose of any requisition, direction, consent, instrument or other document to be made, signed or given by the holder of the Warrants so deposited.

(2) The Company and the Warrant Agent may accept as sufficient evidence of the fact and date of the signing of any requisition, direction, consent, instrument or other document by any person, the signature, as witness, of any officer of any trust company, bank or depositary satisfactory to the Warrant Agent, the certificate of any notary public or other officer authorized to take acknowledgements of deeds to be recorded at the place where such certificate is made, that the person signing acknowledged to him the execution thereof, or a statutory declaration of a witness of such execution.

3.6 Notices

Unless herein otherwise expressly provided, any notice to be given hereunder to the Warrantholders shall be deemed to be validly given if such notice is given by personal delivery or first class mail to the attention of the holder at the registered address of the holder recorded in the registers maintained by the Warrant Agent; provided that in the case of notice convening a meeting of the Warrantholders, the Company may require such publication of such notice, in such city or cities, as it may deem necessary for the reasonable protection of the Warrant holders or to comply with any applicable requirement of law or any stock exchange. Any notice so given shall be deemed to have been given on the day of delivery or three (3) Business Days after mailing. In determining under any provision hereof the date when notice of any meeting or other event must be given, the date of giving notice shall be included and the date of the meeting or other event shall be excluded. For greater certainty, all costs in connection with the giving of notices contemplated by this Section 3.6 shall be borne by the Company.

ARTICLE IV
EXERCISE OF WARRANTS

4.1 Method of Exercise of Warrants

(1) Certificated Warrants shall be exercised as set forth in the Warrant Certificate.

(2) No Warrant represented by an Uncertificated Warrant may be exercised unless, prior to such exercise, the Warrantholder of such Warrant shall have taken all other action necessary to exercise such Warrant in accordance with this Indenture and the Internal Procedures. Notwithstanding anything to the contrary contained herein and subject to the Internal Procedures in force from time to time, a Beneficial Owner whose Warrants are represented by an Uncertificated Warrant who desires to exercise his or her Warrants must do so by causing a CDS Participant to deliver to CDS, on behalf of the Beneficial Owner, a written notice of the Beneficial Owner's intention to exercise Warrants in a manner acceptable to CDS. Forthwith upon receipt by CDS of such notice, as well as payment in an amount equal to the product obtained by multiplying the Exercise Price by the number of Common Shares subscribed for, CDS shall deliver to the Warrant Agent a Confirmation.

(3) Payment by a Beneficial Owner representing the Exercise Price must be provided to the appropriate office of the CDS Participant in a manner acceptable to it. A notice in form acceptable to the CDS Participant and payment from such Beneficial Owner should be provided to the CDS Participant sufficiently in advance so as to permit the CDS Participant to deliver notice and payment to CDS and for CDS in turn to deliver notice and payment to the Warrant Agent prior to Expiry Time. CDS will initiate the exercise by way of the Confirmation and forward the Exercise Price electronically to the Warrant Agent and the Warrant Agent will execute the exercise by issuing to CDS through the non-certified inventory system administered by CDS the Common Shares to which the exercising Beneficial Owner is entitled pursuant to the exercise. Any expense associated with the exercise process will be for the account of the Beneficial Owner exercising the Warrants and/or the CDS Participant exercising the Warrants on its behalf.

(4) Notwithstanding any provisions of this Warrant Indenture, a beneficial owner may exercise his Warrants or take any actions under this Warrant Indenture in accordance with the rules and procedures of CDS.

(5) Any subscription referred to in this Section 4.1 shall be signed by the Warrantholder, shall specify the person(s) in whose name such Common Shares are to be issued, the address(es) of such person(s) and the number of Common Shares to be issued to each person, if more than one is so specified. If any of the Common Shares subscribed for are to be issued to (a) person(s) other than the Warrantholder, the signatures set out in the subscription referred to in subsection 4.1(1) shall be guaranteed by a major Canadian chartered bank, or by a medallion signature guaranteed from a member of a recognized Signature Medallion Guarantee Program and the Warrantholder shall pay to the Company all applicable transfer or similar taxes and the Company shall not be required to issue or deliver certificates evidencing Common Shares unless or until such Warrantholder shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid or that no tax is due.

(6) If, at the time of exercise of the Warrants, in accordance with the provisions of subsection 3.1(1), there are any trading restrictions on the Common Shares pursuant to applicable securities legislation or stock exchange requirements, the Company shall, on the advice of counsel, endorse any certificates representing the Common Shares to such effect. The Warrant Agent is entitled to assume compliance with all applicable securities legislation unless otherwise notified in writing by the Company.

4.2 Effect of Exercise of Warrants

(1) Upon compliance by the Warrantholder with the applicable provisions of Section 4.1, the Common Shares so subscribed for shall be deemed to have been issued and the Person or Persons to whom such Common Shares are to be issued shall be deemed to have become the holder or holders of record of such Common Shares on the Exercise Date unless the share registers maintained by the transfer agent for the Common Shares shall be closed on such date, in which case the Common Shares so subscribed for shall be deemed to have been issued, and such Person or Persons shall be deemed to have become the holder or holders of record of such Common Shares on the date on which such registers were reopened and such Common Shares shall be issued at the Exercise Price in effect on the Exercise Date. To the extent the opening of the registers remains within the control of the Warrant Agent, the Company and the Warrant Agent shall cause such registers to be open on Business Days.

(2) Within three (3) Business Days following the due exercise of a Warrant pursuant to Section 4.1, the Warrant Agent shall deliver to the Company a notice setting forth the particulars of all Warrants exercised, and the persons in whose names the Common Shares are to be issued (as applicable) and the addresses of such holders of the Common Shares.

(3) Subject to Section 4.1(3), within five (5) Business Days of the due exercise of a Warrant pursuant to Section 4.1, or within (10) Business Days of the due exercise of a Warrant if such exercise would result in a fraction of a Common Share, the Company shall cause its transfer agent to mail to the person in whose name the Common Shares so subscribed for are to be issued, as specified in the Notice of Exercise completed on the Warrant Certificate, to the CDS or DTC DWAC coordinates specified in the Notice of Exercise, a certificate or certificates for the Common Shares to which the Warrantholder is entitled and, if applicable, shall cause the Warrant Agent to mail a Warrant Certificate representing any Warrants not then exercised.

(4) If at the time of exercise of the Warrants there remain trading restrictions on the Common Shares acquired upon such exercise pursuant to applicable securities legislation or policy of any applicable regulatory body, the Company may, upon the advice of Counsel, endorse any Common Share certificates to such effect. Furthermore, the Company shall, or its Counsel shall, notify the Warrant Agent in writing of any trading restrictions on the Common Shares acquired upon such exercise pursuant to applicable securities legislation or policy of any applicable regulatory body. Unless and until advised in writing by the Company or its Counsel that a specific legend and trading restrictions apply to the Common Shares, the Warrant Agent shall be entitled to assume that no specific legend is required and that there are no trading restrictions on the Common Shares.

4.3 Subscription for Less than Entitlement

The holder of any Warrant Certificate may subscribe for and purchase a whole number of Common Shares that is less than the number that the holder is entitled to purchase pursuant to the surrendered Warrant Certificate. In such event, the holder thereof shall be entitled to receive, without charge except as aforesaid, a new Warrant Certificate in respect of the balance of the Common Shares which such holder was entitled to purchase pursuant to the surrendered Warrant Certificate and which was not then purchased.

4.4 No Fractional Common Shares

Notwithstanding anything to the contrary in this Indenture, the Company shall not be required to issue fractional Common Shares in satisfaction of its obligations hereunder. If any fractional interest in a Common Share would, except for the provisions of this Section 4.4, be deliverable upon the exercise of a Warrant, the Company shall in lieu of delivering the fractional Common Shares therefor satisfy the right to receive such fractional interest by payment to the holder of such Warrant of an amount in funds equal (computed in the case of a fraction of a cent to the next lower cent) to the value of the right to acquire such fractional interest on the basis of the Current Market Price at the Exercise Date. The minimum amount for payment pursuant to this Section shall be $1.00.

4.5 Expiration of Warrant Certificates

After the Time of Expiry, all rights under any Warrant or this Indenture in respect of which the right of subscription and purchase herein and therein provided for shall not theretofore have been exercised shall wholly cease and terminate and such Warrant shall be void and of no effect.

4.6 Cancellation of Surrendered Warrants

All Warrant Certificates surrendered to the Warrant Agent pursuant to the provisions of this Indenture shall be cancelled by the Warrant Agent and the Warrant Agent shall record the cancellation of such Warrant Certificates on the register of holders maintained by the Warrant Agent pursuant to subsection 3.2(1). The Warrant Agent shall, if requested in writing by the Company, furnish or cause to be furnished to the Company a certificate identifying the Warrant Certificates so cancelled and the number of Common Shares which could have been purchased pursuant to each cancelled Warrant Certificate. All Warrants represented by Warrant Certificates that have been duly cancelled shall be without further force or effect whatsoever.

4.7 Accounting and Recording

(1) The Warrant Agent shall promptly account to the Company with respect to Warrants exercised and forward to the Company (or into an account or accounts of the Company with the bank or trust company designated by the Company for that purpose) all monies received on the purchase of Common Shares through the exercise of Warrants. All such monies, and any securities or other instruments from time to time received by the Warrant Agent, shall be received in trust for, and shall be segregated and kept apart by the Warrant Agent in trust for, the Company.

(2) The Warrant Agent shall record the particulars of the Warrant Certificates exercised which shall include the name or names and addresses of the Persons who become holders of Common Shares on exercise and the Exercise Date and Warrant Certificate number.

4.8 RESERVED.

ARTICLE V
ADJUSTMENT OF SUBSCRIPTION RIGHTS AND EXERCISE PRICE

5.1 Adjustment of Exercise Price and Number of Common Shares Purchasable Upon Exercise

The Exercise Price and the number of Common Shares purchasable upon exercise of Warrants shall be subject to adjustment from time to time in the events and in the manner provided in the Warrant Certificate.

(1) The Warrant Agent shall be entitled to act and rely on any adjustment calculations by the Company or the Company's Auditors.

(2) On the happening of each and every such event set out in Section 5.1, the applicable provisions of the Warrant Certificate, including the Exercise Price, shall, *ipso facto,* be deemed to be amended accordingly and the Company shall take all necessary action so as to comply with such provisions as so amended.

5.2 Postponement of Subscription

In any case in which the application of Section 5.1 shall require that an adjustment shall be effective immediately after a record date for an event referred to herein, the Company may defer, until the occurrence of such an event:

(a) issuing to the Warrantholder of any Warrant exercised after such record date and before the occurrence of such event, the additional Common Shares issuable upon such exercise by reason of the adjustment required by such event, and

(b) delivering to such Warrantholder any distributions declared with respect to such additional Common Shares after such Exercise Date and before such event;

provided, however, that the Company shall deliver or cause to be delivered to such Warrantholder, an appropriate instrument evidencing such Warrantholder's right, upon the occurrence of the event requiring the adjustment, to an adjustment in the Exercise Price and/or the number of Common Shares purchasable on the exercise of any Warrant and to such distributions declared with respect to any additional Common Shares issuable on the exercise of any Warrant.

5.3 Notice of Adjustment of Exercise Price and Number of Common Shares Purchasable Upon Exercise

(1) At least ten (10) Business Days prior to the effective date or record date, as the case may be, of any event which requires or might require adjustment in any of the subscription rights pursuant to this Warrant Certificate, including the Exercise Price and the number of Common Shares which are purchasable upon the exercise thereof, the Company shall be required to (a) file with the Warrant Agent a certificate of the Company specifying the particulars of such event (including the record date or the effective date for such event) and, if determinable, the required adjustment and the computation of such adjustment; and (b) give notice to the Warrantholders of the particulars of such event (including the record date or the effective date for such event) and, if determinable, the required adjustment. Notice to the Warrantholders shall be given in the manner specified in Section 3.6.

(2) In case any adjustment for which such notice has been given is not then determinable, the Company shall promptly after such adjustment is determinable (a) file with the Warrant Agent a computation of such adjustment; and (b) give notice to the Warrantholders of the adjustment. Notice to the Warrantholders shall be given in the manner specified in Section 3.6.

(3) The Warrant Agent may, absent manifest error, for all purposes of the adjustment act and rely upon the certificate of the Company or of the Company's Auditors submitted to it pursuant to subsection 5.3(1) and on the accuracy of such certificate, calculations and formulas contained therein.

ARTICLE VI
PURCHASES BY THE COMPANY

6.1 Purchases of Warrants for Cancellation

The Company may, at any time and from time to time, purchase Warrants by invitation for tender, by private contract or otherwise (which shall include a purchase through an investment dealer or firm holding membership on a Canadian stock exchange) on such terms as the Company may determine. All Warrants purchased pursuant to the provisions of this Section 6.1 shall be forthwith delivered to, cancelled and destroyed by the Warrant Agent and shall not be reissued.

6.2 Optional Purchases by the Company

Subject to applicable law, the Company may from time to time purchase on any stock exchange, in the open market, by private agreement or otherwise any of the Warrants. Any such purchase shall be made at the lowest price or prices at which, in the opinion of the Directors, such Warrants are then obtainable, plus reasonable costs of purchase, and may be made in such manner, from such Persons, and on such other terms as the Company in its sole discretion may determine. The Warrant Certificates representing the Warrants purchased pursuant to this Section 6.2 shall forthwith be delivered to and cancelled by the Warrant Agent.

ARTICLE VII
COVENANTS OF THE COMPANY

7.1 Covenants of the Company

The Company covenants with the Warrant Agent for the benefit of the Warrantholders and the Warrant Agent that so long as any Warrants remain outstanding and may be exercised:

(a) the Company will at all times maintain its existence and will carry on and conduct its business in a prudent manner in accordance with industry standards and good business practice, and will keep or cause to be kept proper books of account in accordance with applicable law;

(b) the Company will reserve and keep available a sufficient number of Common Shares for issuance upon the exercise of Warrants issued by the Company;

(c) the Company will cause the Common Shares from time to time subscribed for pursuant to the Warrants issued by the Company hereunder, in the manner herein provided, to be duly issued in accordance with the Warrants and the terms hereof;

(d) the Company will cause the certificates representing the Common Shares from time to time to be acquired, pursuant to the Warrants in the manner herein provided, to be duly issued and delivered in accordance with the Warrants and the terms hereof;

(e) the Company shall make all requisite filings under the Securities Act (Ontario), the Securities Act (British Columbia) or the Securities Act (Alberta) and the regulations made thereunder including those necessary to remain a reporting issuer not in default of any requirement of such acts and regulations;

(f) the Company shall use all reasonable efforts to maintain the listing of the Common Shares on the TSX (or such other recognized stock exchange as may be agreed upon by the Company and the Agent) and to have the Common Shares issued pursuant to the exercise of the Warrants listed and posted for trading on the TSX (or such other recognized stock exchange as may be agreed upon by the Company and the Agent) as expeditiously as possible;

(g) all Common Shares that shall be issued by the Company upon exercise of the rights provided for herein shall be issued as fully paid and non-assessable;

(h) the Company will perform and carry out all of the acts or things to be done by it as provided in this Indenture;

(i) the Company will promptly advise the Warrant Agent and the Warrantholders in writing of any default under the terms of this Indenture; and

(j) the Company confirms that as at the date of the execution of this Indenture it has a class of securities registered pursuant to Section 12 of the Exchange Act. The Company covenants that in the event that such registration or reporting obligation shall be terminated by the Company in accordance with the Exchange Act, the Company shall promptly deliver to the Warrant Agent an officers' certificate notifying the Warrant Agent of such termination and such other information as the Warrant Agent may require at the time. The Company acknowledges that the Warrant Agent is relying upon the foregoing covenants in order to meet certain SEC obligations with respect to those clients who are filing with the SEC.

7.2 Warrant Agent's Remuneration and Expenses

The Company covenants that it will pay to the Warrant Agent from time to time reasonable remuneration for its services hereunder and will pay or reimburse the Warrant Agent upon its request for all reasonable expenses, disbursements and advances incurred or made by the Warrant Agent in the administration or execution of the duties hereby created, except any such expense, disbursement or advance as may arise out of or result from the gross negligence, wilful misconduct or fraud of the Warrant Agent. Any amount owing hereunder and remaining unpaid 30 days from the invoice date will bear interest at the then current rate charged by the Warrant Agent against unpaid invoices and shall be payable upon demand. This Section 7.2 shall survive the termination of this Indenture and the removal or resignation of the Warrant Agent.

7.3 Performance of Covenants by Warrant Agent

Subject to Section 11.6, if the Company shall fail to perform any of its covenants contained in this Warrant Indenture and the Company has not rectified such failure within twenty-five (25) Business Days after either giving notice of such default pursuant to subsection 7.1(i) or receiving written notice from the Warrant Agent of such failure, the Warrant Agent may notify the Warrantholders in the manner provided in Section 3.6 of such failure on the part of the Company or, subject to Section 11.1, may itself perform any of the covenants capable of being performed by it, but shall be under no obligation to perform such covenants or to notify the Warrantholders of such performance by it. All reasonable sums expended or advanced by the Warrant Agent in so doing shall be repayable as provided in Section 7.2. No such performance, expenditure or advance by the Warrant Agent shall relieve the Company of any default hereunder or of its continuing obligations under the covenants herein contained.

7.4 Securities Filings

(1) If, in the opinion of Counsel, any filing is required to be made with any governmental or other authority in Canada (including the securities regulatory authorities or any exchange or quotation system upon which any securities of the Company are listed or quoted for trading), or any other step is required before any Common Shares issuable upon the exercise of Warrants by a Warrantholder may properly and legally be issued in Canada, the Company covenants that it will take such action so required at its own expense.

(2) The Company will give written notice of the issue of Common Shares pursuant to the exercise of Warrants, in such detail as may be required, to each securities administrator in each jurisdiction in which there is legislation requiring the giving of such notice and to the TSX.

7.5 Certificates of No Default

At any time if requested by the Warrant Agent, the Company shall deliver to the Warrant Agent an officers' certificate stating that the Company has complied to the best of its knowledge, in all material respects, with all covenants, conditions or other requirements contained in this Indenture. In the event that the Company has not complied, in all material respects, with all the covenants and conditions contained herein, it will advise the Warrant Agent and the holders of such default as soon as reasonably practicable, specifying the covenant, condition or other requirement which has not been complied with and giving particulars of such non-compliance.

ARTICLE VIII
ENFORCEMENT

8.1 Suits by Warrantholders

(1) *Warrantholders May Not Sue*. Except to the extent that the rights of an individual Warrantholder or group of Warrantholders would be prejudiced thereby, no Warrantholder has the right to institute any action or proceeding or to exercise any other remedy authorized hereunder for the purpose of enforcing any right on behalf of the Warrantholders as a whole or for the execution of any trust or power hereunder or for the appointment of a liquidator or receiver or receiver and manager or for a receiving order under the *Bankruptcy and Insolvency Act* (Canada) or to have the Company wound up or to file or prove a claim in any liquidation or bankruptcy proceedings, unless the Warrant Agent has received a Warrantholders' Request directing it to take the requested action and has been provided with sufficient funds or other security and/or such indemnity satisfactory to the Warrant Agent in respect of the costs, expenses and liabilities that may be incurred by it in so proceeding and the Warrant Agent has failed to act within a reasonable time thereafter. If the Warrant Agent has so failed to act, but not otherwise, any Warrantholder acting on behalf of all Warrantholders will be entitled to take any of the proceedings that the Warrant Agent might have taken hereunder. No Warrantholder has any right in any manner whatsoever to effect, disturb or prejudice the rights hereby created by its action or to enforce any right hereunder or under any Warrant, except subject to the conditions and in the manner herein provided. Any money received as a result of a proceeding taken by any Warrantholder on behalf of all the Warrantholders hereunder must be forthwith paid to the Warrant Agent.

(2) *Warrant Agent not Required to Possess Warrants*. All rights of action under this Indenture may be enforced by the Warrant Agent without the possession of any of the Warrants or the production thereof on any trial or other proceedings relative thereto.

(3) *Warrant Agent May Institute Proceedings*. The Warrant Agent shall be entitled and empowered, either in its own name or as Warrant Agent of an express trust, or as attorney-in-fact for the Warrantholders, or in any one or more of such capacities, to file such proof of debt, amendment of proof of debt, claim, petition or other document as may be necessary or advisable in order to have the claim of the Warrant Agent and the Warrantholders allowed in any insolvency, bankruptcy, liquidation or other judicial proceedings relative to the Company or its creditors or relative to or affecting its property. The Warrant Agent is hereby irrevocably appointed (and the successive respective Warrantholders by taking and holding the same shall be conclusively deemed to have so appointed the Warrant Agent) the true and lawful attorney-in-fact of the respective Warrantholders with authority to make and file in the respective names of the Warrantholders or on behalf of the Warrantholders as a class, subject to deduction from any such claims of the amounts of any claims filed by any of the Warrantholders themselves if and to the extent permitted hereunder, any proof of debt, amendment of proof of debt, claim, petition or other document in any such proceedings and to receive payment of any sums becoming distributable on account thereof, and to execute any such other papers and documents and to do and perform any and all such acts and things for and on behalf of the Warrantholders, as may be necessary or advisable in the opinion of the Warrant Agent acting and relying on the advice of Counsel, in order to have the respective claims of the Warrant Agent and of the Warrantholders against the Company or its property allowed in any such proceeding, and to receive payment of or on account of such claims; provided, however, that nothing contained in this Indenture shall be deemed to give the Warrant Agent, unless so authorized by Extraordinary Resolution, any right to accept or consent to any plan of reorganization or otherwise by action of any character in such proceeding to waive or change in any way any right of any Warrantholder. The Warrant Agent shall also have the power, but not the obligation, at any time and from time to time to institute and to maintain such suits and proceedings as it may be advised shall be necessary or advisable to preserve and protect its interests and the interests of the Warrantholders. Any such suit or proceeding instituted by the Warrant Agent may be brought in the name of the Warrant Agent as Warrant Agent of an express trust, and any recovery of judgment shall be for the rateable benefit of the Warrantholders subject to the provisions of this Indenture. In any proceeding brought by the Warrant Agent (and also any proceeding in which a declaratory judgment of a court may be sought as to the interpretation or construction of any provision of this Indenture, to which the Warrant Agent shall be a party), the Warrant Agent shall be held to represent all the Warrantholders, and it shall not be necessary to make any Warrantholders parties to any such proceeding.

(4) Subject to the provisions of this Section and otherwise in this Indenture, all or any of the rights conferred upon a Warrantholder by the terms of a Warrant may be enforced by such Warrantholder by appropriate legal proceedings without prejudice to the right which is hereby conferred upon the Warrant Agent to proceed in its own name to enforce each and all of the provisions herein contained for the benefit of all of the Warrantholders from time to time.

8.2 Limitation of Liability

The obligations hereunder are not personally binding upon nor shall resort hereunder be had to, the private property of any of the past, present or future Directors or Shareholders of the Company or of any successor corporation (as defined herein) or of any of the past, present or future officers, employees or agents of the Company or of any successor corporation, but only the property of the Company or of any successor corporation shall be bound in respect hereof.

ARTICLE IX
MEETINGS OF WARRANTHOLDERS

9.1 Right to Convene Meetings

The Warrant Agent may at any time and from time to time, and shall on receipt of a written request of the Company or of a Warrantholders' Request and upon receiving sufficient funds and being indemnified to its reasonable satisfaction by the Company or by the Warrantholders signing such Warrantholders' Request against the cost of which may be incurred in connection with the calling and holding of such meeting, convene a meeting of the Warrantholders. In the event of the Warrant Agent failing to so convene a meeting within fifteen (15) Business Days after receipt of such written request of the Company or Warrantholders' Request, funds and indemnity given as aforesaid, the Company or such Warrantholders, as the case may be, may convene such meeting. Every such meeting shall be held in the City of Toronto or at such other place as may be approved or determined by the Warrant Agent unless the meeting was convened by the Company or by Warrantholders as a result of the Warrant Agent's failure or refusal to convene the meeting, in which case the meeting shall be held at such place as may be determined by the Company or by the Warrantholders convening the meeting, as the case may be.

9.2 Notice

At least twenty-one (21) Business Days prior notice of any meeting of Warrantholders shall be given to the Warrantholders in the manner provided for in Section 3.6 and a copy of such notice shall be sent by mail to the Warrant Agent (unless the meeting has been called by the Warrant Agent) and to the Company (unless the meeting has been called by the Company). Such notice shall state the time when and the place where the meeting is to be held, shall state briefly the general nature of the business to be transacted thereat and shall contain such information as is reasonably necessary to enable the Warrantholders to make a reasoned decision on the matter, but it shall not be necessary for any such notice to set out the terms of any resolution to be proposed nor any of the provisions of this Article IX. The notice convening any such meeting may be signed by an appropriate officer of the Warrant Agent or by the Company or by the Warrantholder or Warrantholders convening the meeting.

9.3 Chairman

An individual (who need not be a Warrantholder) nominated in writing by the Warrant Agent shall be chairman of the meeting and if no individual is so nominated, or if the individual so nominated is not present within fifteen minutes from the time fixed for the holding of the meeting, or if such Person is unable or unwilling to act as chairman, the Warrantholders present in person or by proxy shall choose some individual present to be chairman.

9.4 Quorum

Subject to the provisions of Section 9.11, at any meeting of the Warrantholders a quorum shall consist of Warrantholders present in person or by proxy and entitled to purchase at least 25% of the aggregate number of Common Shares which could be purchased pursuant to all the then outstanding Warrants, provided that at least two Persons entitled to vote thereat are personally present (except in the case where there is only one Warrantholder). If a quorum of the Warrantholders shall not be present within thirty minutes from the time fixed for holding any meeting, the meeting, if summoned by the Warrantholders or on a Warrantholders' Request, shall be dissolved; but in any other case the meeting shall be adjourned to the same day in the next week (unless such day is not a Business Day in which case it shall be adjourned to the next following Business Day) at the same time and place and subject to Section 9.11 no notice of the adjournment need be given. Any business may be brought before or dealt with at an adjourned meeting which might have been dealt with at the original meeting in accordance with the notice calling the same. No business shall be transacted at any meeting unless a quorum is present at the commencement of business. At the adjourned meeting the Warrantholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened, notwithstanding that they may not be entitled to purchase at least 25% of the aggregate number of Common Shares which may be purchased pursuant to all then outstanding Warrants.

9.5 Power to Adjourn

The chairman of any meeting at which a quorum of the Warrantholders is present may, with the consent of the meeting, adjourn any such meeting, and no notice of such adjournment need be given except such notice, if any, as the meeting may prescribe.

9.6 Show of Hands

Every question submitted to a meeting shall be decided in the first place by a majority of the votes given on a show of hands except that votes on an Extraordinary Resolution shall be given in the manner hereinafter provided. At any such meeting, unless a poll is duly demanded as herein provided, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

9.7 Poll and Voting

(1) On every Extraordinary Resolution, and on any other question submitted to a meeting and after a vote by show of hands when demanded by the chairman or by one or more of the Warrantholders acting in Person or by proxy, a poll shall be taken in such manner as the chairman shall direct. Questions other than those required to be determined by Extraordinary Resolution shall be decided by a majority of votes cast on the poll.

(2) On a show of hands, every Person who is present and entitled to vote, whether as a Warrantholder or as proxy for one or more absent Warrantholders, or both, shall have one vote. On a poll, each Warrantholder present in person or represented by a proxy duly appointed by instrument in writing shall be entitled to one vote in respect of each Common Share which he is entitled to purchase pursuant to the Warrant or Warrants then held or represented by him. A proxy need not be a Warrantholder. The chairman of any meeting shall be entitled, both on a show of hands and on a poll, to vote in respect of the Warrants, if any, held or represented by him.

9.8 Regulations

(1) Subject to the provisions of this Indenture, the Warrant Agent or the Company with the approval of the other party may from time to time make and from time to time vary such regulations as it shall think fit:

(a) for the deposit of voting certificates and instruments appointing proxies at such place and time as the Warrant Agent, the Company or the Warrantholders convening the meeting, as the case may be, may in the notice convening the meeting direct;

(b) for the deposit of voting certificates and instruments appointing proxies at some approved place or places other than the place at which the meeting is to be held and enabling particulars of such instruments appointing proxies to be mailed, delivered or sent by e-mail transmission before the meeting to the Company or to the Warrant Agent at the place where the same is to be held and for the voting of proxies so deposited as though the instruments themselves were produced at the meeting;

(c) for the form of the voting certificates and instrument of proxy and the manner in which the form of proxy may be executed; and

(d) generally for the calling of meetings of Warrantholders and the conduct of business thereat including setting a record date for Warrantholders entitled to receive notice of or to vote at such meeting.

(2) Any regulations so made shall be binding and effective and the votes given in accordance therewith shall be valid and shall be counted. Save as such regulations may provide, or as may be expressly provided for herein the only Persons who shall be recognized at any meeting as a Warrantholder, or be entitled to vote or be present at the meeting in respect thereof (subject to Section 9.9) shall be Warrantholders or Persons holding voting certificates or proxies of Warrantholders.

9.9 Company, Warrant Agent and Warrantholders May be Represented

The Company and the Warrant Agent, by their respective directors, officers and employees, and the Counsel for the Company, for the Warrant Agent and for any Warrantholder may attend any meeting of the Warrantholders, but shall have no vote as such, except in their capacity as Warrantholders.

9.10 Powers Exercisable by Extraordinary Resolution

In addition to all other powers conferred upon them by any other provisions of this Indenture or by law, the Warrantholders at a meeting shall have the power, exercisable from time to time by Extraordinary Resolution, subject to applicable law and any regulatory approval:

(a) to amend, alter or repeal any Extraordinary Resolution previously passed or sanctioned by the Warrantholders;

(b) to direct or to authorize the Warrant Agent, subject to its prior indemnification pursuant to subsection 11.1(2), to enforce any of the covenants on the part of the Company contained in this Indenture or the Warrant Certificates or to enforce any of the rights of the Warrantholders in any manner specified in such Extraordinary Resolution or to refrain from enforcing any such covenant or right; and

(c) to remove the Warrant Agent and appoint a successor warrant agent in the manner specified in Section 11.7 hereof.

9.11 Meaning of Extraordinary Resolution

(1) The expression "Extraordinary Resolution" when used in this Indenture means, subject as hereinafter provided in this Section 9.11 and in Section 9.14, a resolution (i) passed at a meeting of the holders of Warrants duly convened for that purpose and held in accordance with the provisions of this Article IX at which there are holders of Warrants present in person or represented by proxy representing at least 25% of the aggregate number of all the then outstanding Warrants and passed by the affirmative vote of Warrantholders representing not less than 66 2/3% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution; or (ii) adopted by an instrument in writing signed by the holders of Warrants representing not less than 66 2/3% percent of the aggregate number of all the then outstanding Warrants.

(2) If, at any meeting called for the purpose of passing an Extraordinary Resolution, Warrantholders entitled to purchase at least 25% of the aggregate number of all the then outstanding Warrants are not present in person or by proxy within 30 minutes after the time appointed for the meeting then the meeting, if convened by Warrantholders or on a Warrantholders' Request, shall be dissolved; but in any other case it shall stand adjourned to such day, being not less than ten (10) Business Days later, and to such place and time as may be appointed by the chairman. Not less than three (3) days' prior notice shall be given of the time and place of such adjourned meeting in the manner provided for in Section 3.6. Such notice shall state that at the adjourned meeting the Warrantholders present in person or by proxy shall form a quorum but it shall not be necessary to set forth the purposes for which the meeting was originally called or any other particulars. At the adjourned meeting the Warrantholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened and a resolution proposed at such adjourned meeting and passed by the requisite vote as provided in subsection 9.11(1) shall be an Extraordinary Resolution within the meaning of this Indenture notwithstanding that Warrantholders representing at least 25% of all the then outstanding Warrants are not present in person or by proxy at such adjourned meeting.

(3) Votes on an Extraordinary Resolution shall always be given on a poll and no demand for a poll on an Extraordinary Resolution shall be necessary.

9.12 Powers Cumulative

It is hereby declared and agreed that any one or more of the powers or any combination of the powers in this Indenture stated to be exercisable by the Warrantholders by Extraordinary Resolution or otherwise may be exercised from time to time and the exercise of any one or more of such powers or any combination of powers from time to time shall not be deemed to exhaust the right of the Warrantholders to exercise such power or powers or combination of powers then or thereafter from time to time.

9.13 Minutes

Minutes of all resolutions and proceedings at every meeting of Warrantholders shall be made and duly entered in books to be provided from time to time for that purpose by the Company, and any such minutes as aforesaid, if signed by the chairman of the meeting at which such resolutions were passed or proceedings had, shall be prima facie evidence of the matters therein stated and, until the contrary is proved, every such meeting in respect of the proceedings of which minutes shall have been made shall be deemed to have been duly convened and held, and all resolutions passed or proceedings taken thereat shall be deemed to have been duly passed and taken.

9.14 Instruments in Writing

All actions which may be taken and all powers that may be exercised by the Warrantholders at a meeting held as provided in this Article IX may also be taken and exercised by Warrantholders representing at least 66 2/3% of the aggregate number of all the then outstanding Warrants by an instrument in writing signed in one or more counterparts by such Warrantholders in person or by attorney duly appointed in writing, and the expression "Extraordinary Resolution" when used in this Indenture shall include an instrument so signed.

9.15 Binding Effect of Resolutions

Every resolution and every Extraordinary Resolution passed in accordance with the provisions of this Article IX at a meeting of Warrantholders shall be binding upon all the Warrantholders, whether present at or absent from such meeting, and every instrument in writing signed by Warrantholders in accordance with Section 9.14 shall be binding upon all the Warrantholders, whether signatories thereto or not, and each and every Warrantholder and the Warrant Agent (subject to receiving prior indemnification pursuant to subsection 11.1(2)) shall be bound to give effect accordingly to every such resolution and instrument in writing. In the case of an instrument in writing the Warrant Agent shall give notice in the manner contemplated in Section 3.6 and Section 13.1 of the effect of the instrument in writing to all Warrantholders and the Company as soon as is reasonably practicable.

9.16 Holdings by Company Disregarded

In determining whether Warrantholders are present at a meeting of Warrantholders for the purpose of determining a quorum or have concurred in any consent, waiver, Extraordinary Resolution, Warrantholders' Request or other action under this Indenture, Warrants owned legally or beneficially by the Company or any Subsidiary of the Company or any other Affiliate of the Company, as determined in accordance with the provisions of Section 13.6, shall be disregarded. The Company shall provide, upon the written request of the Warrant Agent, a certificate as to the registration particulars of any Warrants held by the Company.

ARTICLE X
SUPPLEMENTAL INDENTURES

10.1 Provision for Supplemental Indentures for Certain Purposes

From time to time the Company (when properly authorized by action by the Directors) and the Warrant Agent may, subject to the provisions hereof, and they shall, when so directed in accordance with the provisions hereof and regulatory approval, execute and deliver by their proper officers, indentures, or instruments supplemental hereto, which thereafter shall form part hereof, for any one or more or all of the following purposes:

(a) providing for the issue of additional Warrants hereunder and any consequential amendments hereto as may be required by the Warrant Agent, relying on advice of Counsel;

(b) setting forth any adjustments resulting from the application of the provisions of Section 5.1 or any modification affecting the rights of Warrantholders hereunder on exercise of the Warrants, provided that any such adjustments or modifications shall be subject to compliance with all regulatory requirements (including the rules of any stock exchange or over-the-counter market on which the Common Shares are then listed or quoted for trading);

(c) adding to the provisions hereof such additional covenants and enforcement provisions as, in the opinion of Counsel, are necessary or advisable, provided that the same are not in the opinion of the Warrant Agent, relying on the advice of Counsel, prejudicial to the rights or interests of the Warrantholders as a group;

(d) giving effect to any Extraordinary Resolution passed as provided in Article IX;

(e) making such provisions not inconsistent with this Indenture as may be necessary or desirable with respect to matters or questions arising hereunder, provided that such provisions are not, in the opinion of the Warrant Agent, relying on the advice of Counsel, prejudicial to the rights or interests of the Warrantholders as a group;

(f) for any other purpose not inconsistent with the terms of this Indenture, including the correction or rectification of any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions herein, provided that in the opinion of the Warrant Agent, relying on the advice of Counsel, the rights or interests of the Warrant Agent and of the Warrantholders as a group are in no way prejudiced thereby.

10.2 Successor Companies

In the case of the consolidation, amalgamation, merger or transfer of the undertaking or assets of the Company as an entirety or substantially as an entirety to another corporation ("**successor corporation**"), the successor corporation resulting from such consolidation, amalgamation, merger or transfer (if not the Company) shall expressly assume, by supplemental indenture satisfactory in form to the Warrant Agent and executed and delivered to the Warrant Agent, the due and punctual performance and observance of each and every covenant and condition of this Indenture to be performed and observed by the Company.

ARTICLE XI
CONCERNING THE WARRANT AGENT

11.1 Indenture Legislation

(1) If, and to the extent, any provision of this Indenture limits, qualifies or conflicts with a mandatory requirement of applicable statutes of Canada and its provinces and the regulations under those statutes relating to warrant indentures ("**Applicable Legislation**"), such mandatory requirement shall prevail.

(2) The Company and the Warrant Agent agree that each will at all times in relation to this Indenture and any action to be taken hereunder observe and comply with and be entitled to the benefit of Applicable Legislation.

11.2 Rights and Duties of Warrant Agent

(1) In the exercise of the rights and duties prescribed or conferred by the terms of this Indenture, the Warrant Agent shall act honestly and in good faith with a view to the best interests of the Warrantholders and shall exercise that degree of care, diligence and skill that a reasonably prudent warrant agent would exercise in comparable circumstances. No provision of this Indenture shall be construed to relieve the Warrant Agent from, or require any Person to indemnify the Warrant Agent against, liability for its own gross negligence, wilful misconduct or fraud. The duties and obligations of the Warrant Agent shall be determined solely by the provisions hereof and, accordingly, the Warrant Agent shall only be responsible for the performance of such duties and obligations as it has undertaken herein. The Warrant Agent shall retain the right not to act and shall not be held liable for refusing to act in circumstances that require the delivery to or receipt by the Warrant Agent of documentation unless it has received clear and reasonable documentation which complies with the terms of this Indenture. Such documentation must not require the exercise of any discretion or independent judgement other than as contemplated by this Indenture. The Warrant Agent shall incur no liability with respect to the delivery or non-delivery of any certificate or certificates whether delivered by hand, mail or any other means, provided that it has complied with the terms of this Indenture in respect of the discharging of its obligations in respect of the delivery of such certificates. None of the provisions contained in this Indenture shall require the Warrant Agent to expend or to risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified and funded as aforesaid.

(2) The obligation of the Warrant Agent to commence or continue any act, action or proceeding for the purpose of enforcing any rights of the Warrant Agent or the Warrantholders hereunder shall be conditional upon the Warrantholders furnishing, when required by notice in writing by the Warrant Agent, sufficient funds to commence or to continue such act, action or proceeding and an indemnity reasonably satisfactory to the Warrant Agent to protect and to hold harmless the Warrant Agent, its officers, directors and employees against the costs, charges and expenses and liabilities to be incurred thereby and any loss and damage it may suffer by reason thereof.

(3) The Warrant Agent may, before commencing or at any time during the continuance of any such act, action or proceedings, require the Warrantholders, at whose instance it is acting, to deposit with the Warrant Agent the Warrant Certificates held by them, for which the Warrant Agent shall issue receipts.

(4) Every provision of this Indenture that by its terms relieves the Warrant Agent of liability or entitles it to rely upon any evidence submitted to it is subject to the provisions of Section 11.12.

11.3 Evidence, Experts and Advisers

(1) In addition to the reports, certificates, opinions and evidence required by this Indenture, the Company shall furnish to the Warrant Agent such additional evidence of compliance with any provision hereof, and in such form as may be prescribed by Applicable Legislation or as the Warrant Agent may reasonably require by written notice to the Company.

(2) The Warrant Agent shall be protected in acting and relying upon any written notice, request, waiver, consent, certificate, receipt, statutory declaration or other paper or document furnished to it, not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth of and acceptability of any information therein contained which it in good faith believes to be genuine and what it purports to be.

(3) Proof of the execution of an instrument in writing, including a Warrantholders' Request, by any Warrantholder may be made by the certificate of a notary public, or other officer with similar powers, that the Person signing such instrument acknowledged to him the execution thereof, or by an affidavit of a witness to such execution or in any other manner which the Warrant Agent may consider adequate.

(4) The Warrant Agent may employ or retain such Counsel, accountants, appraisers or other experts or advisers as it may reasonably require for the purpose of determining and discharging its duties hereunder and shall not be responsible for any misconduct or negligence on the part of such experts or advisors who have been appointed and supervised with due care by the Warrant Agent. The fees of such Counsel and other experts shall be part of the Warrant Agent's fees hereunder. The Warrant Agent shall be fully protected in acting or not acting and relying, in good faith, in accordance with any opinion or instruction of such Counsel. Any remuneration so paid by the Warrant Agent shall be repaid to the Warrant Agent in accordance with Section 7.2.

11.4 Action by Warrant Agent to Protect Interest

Subject to the provisions of this Indenture and Applicable Legislation, the Warrant Agent shall have power to institute and to maintain such actions and proceedings as it may consider necessary or expedient to preserve, protect or enforce its interests and the interests of the Warrantholders.

11.5 Warrant Agent not Required to Give Security

The Warrant Agent shall not be required to give any bond or security in respect of the execution of the trusts and powers of this Indenture or otherwise.

11.6 Protection of Warrant Agent

By way of supplement to the provisions of any law for the time being relating to trustees or warrant agents it is expressly declared and agreed as follows:

(a) The Warrant Agent shall not be liable for or by reason of any statement of fact or recitals in this indenture or in the Warrant Certificates (except the representations contained in Section 11.8 or in the certificate of the Warrant Agent on the Warrant Certificates) or be required to verify the same, but all such statements or recitals are and shall be deemed to be made by the Company;

(b) Nothing herein contained shall impose any obligation on the Warrant Agent to see to or to require evidence of the registration or filing (or renewal thereof) of this Indenture or any instrument ancillary or supplemental hereto;

(c) The Warrant Agent shall not be bound to give notice to any Person or Persons of the execution hereof; and

(d) The Warrant Agent shall not incur any liability or responsibility whatever or be in any way responsible for the consequence of any breach on the part of the Company of any of the covenants herein contained or of any acts of any Directors, officers, employees, agents or servants of the Company.

11.7 Replacement of Warrant Agent; Successor by Merger

(1) The Warrant Agent may resign and be discharged from all further duties and liabilities hereunder, subject to this subsection 11.7(1), by giving to the Company not less than 30 days prior notice in writing or such shorter prior notice as the Company may accept as sufficient. The Warrantholders by Extraordinary Resolution shall have power at any time to remove the existing Warrant Agent and to appoint a new warrant agent. In the event of the Warrant Agent resigning or being removed as aforesaid or being dissolved, becoming bankrupt, going into liquidation or otherwise becoming incapable of acting hereunder, the Company shall forthwith appoint a new warrant agent unless a new warrant agent has already been appointed by the Warrantholders; failing such appointment by the Company, the retiring Warrant Agent or any Warrantholder may apply to a justice of the Ontario Superior Court of Justice (the " **Court**"), at the Company's expense, on such notice as such justice may direct, for the appointment of a new warrant agent; but any new warrant agent so appointed by the Company or by the Court shall be subject to removal as aforesaid by the Warrantholders. Any new warrant agent appointed under any provision of this Section 11.7 shall be a company authorized to carry on the business of a transfer agent in the province of Ontario. On any such appointment the new warrant agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as Warrant Agent without any further assurance, conveyance, act or deed; but there shall be immediately executed, at the expense of the Company, all such conveyances or other instruments as may, in the opinion of Counsel, be necessary or advisable for the purpose of assuring the same to the new warrant agent, provided that, any resignation or removal of the Warrant Agent and appointment of a successor warrant agent shall not become effective until the successor warrant agent shall have executed an appropriate instrument accepting such appointment and, at the request of the Company, the predecessor Warrant Agent, upon payment of its outstanding remuneration and expenses, shall execute and deliver to the successor warrant agent an appropriate instrument transferring to such successor warrant agent all rights and powers of the Warrant Agent hereunder.

(2) Upon the appointment of a successor warrant agent, the Company shall promptly notify the Warrantholders thereof in the manner provided for in Section 3.6.

(3) This Indenture shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. The Company agrees that the Warrant Agent may assign its rights and duties under this Indenture to one of its affiliates without the need for any further notice to, or approval from, the Company.

(4) Any Warrants certified but not delivered by a predecessor Warrant Agent may be certified by the new or successor warrant agent in the name of the predecessor or the new or successor warrant agent.

11.8 Conflict of Interest

(1) The Warrant Agent represents to the Company that to the best of its knowledge at the time of execution and delivery hereof no material conflict of interest exists in its role as a warrant agent hereunder and agrees that in the event of a material conflict of interest arising hereafter it shall immediately notify the Company of the material conflict of interest with complete details of the conflict and such other information as the Company may reasonably request in connection therewith and, within ninety (90) days after ascertaining that it has such material conflict of interest, either eliminate the same or resign its trusts hereunder to a successor warrant agent approved by the Company and meeting the requirements set forth in subsection 11.7(1). Notwithstanding the foregoing provisions of this subsection 11.8(1), if any such material conflict of interest exists or hereinafter shall exist, the validity and enforceability of this Indenture and the Warrant Certificates shall not be affected in any manner whatsoever by reason thereof.

(2) Subject to subsection 11.8(1), the Warrant Agent, in its personal or any other capacity, may buy, lend upon and deal in securities of the Company and generally may contract and enter into financial transactions with the Company or any Subsidiary of the Company without being liable to account for any profit made thereby.

11.9 Warrant Agent Not to be Appointed Receiver

The Warrant Agent and any Person related to the Warrant Agent shall not be appointed a receiver, a receiver and manager or liquidator of all or any part of the assets or undertaking of the Company.

11.10 Payments by Warrant Agent

The forwarding of a cheque by the Warrant Agent will satisfy and discharge the liability for any amounts due to the extent of the sum or sums represented thereby (plus the amount of any tax deducted or withheld as required by law) unless such cheque is not honoured on presentation; provided that in the event of the non-receipt of such cheque by the payee, or the loss or destruction thereof, the Warrant Agent, upon being furnished with reasonable evidence of such non-receipt, loss or destruction and indemnity reasonably satisfactory to it, will issue to such payee a replacement cheque for the amount of such cheque.

11.11 Deposit of Securities

The Warrant Agent shall not be responsible or liable in any manner whatsoever for the sufficiency, correctness, genuineness or validity of any security deposited with it.

11.12 Act, Error, Omission etc.

The Warrant Agent shall not be liable for any error in judgement or for any act done or step taken or omitted by it in good faith, for any mistake, in fact or law, or for anything which it may do or refrain from doing in connection herewith except arising out of its own gross negligence, wilful misconduct or fraud.

11.13 Indemnification

Without limiting any protection or indemnity of the Warrant Agent under any other provision hereof, or otherwise at law, the Company hereby agrees to indemnify and hold harmless the Warrant Agent and its directors, officers, agents and employees from and against any and all liabilities, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements, including reasonable legal or advisor fees and disbursements, of whatever kind and nature which may at any time be imposed on, incurred by or asserted against the Warrant Agent and its directors, officers, agents and employees in connection with the performance of its duties and obligations hereunder, other than such liabilities, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements arising by reason of gross negligence, wilful misconduct or fraud of the Warrant Agent and its directors, officers, agents and employees. This provision shall survive the resignation or removal of the Warrant Agent, or the termination of this Indenture.

The Warrant Agent shall not be under any obligation to prosecute or defend any action or suit in respect of this Indenture which, in the opinion of its counsel, may involve it in expense or liability, unless the Company shall, so often as required, furnish the Warrant Agent with satisfactory indemnity and funding against such expense or liability.

11.14 Notice

The Warrant Agent shall not be bound to give any notice or do or take any act, action or proceeding by virtue of the powers conferred on it hereby unless and until it shall have been required to so under the terms hereof; nor shall the Warrant Agent be required to take notice of any default hereunder, unless and until notified in writing of such default, which notice shall distinctly specify the default desired to be brought to the attention of the Warrant Agent and in the absence of any such notice the Warrant Agent may for all purposes of this Indenture conclusively assume that no default has been made in the observance or performance of any of the representations, warranties, covenants, agreements or conditions contained herein. Any such notice shall in no way limit any discretion herein given the Warrant Agent to determine whether or not the trustee shall take action with respect to any default.

11.15 Reliance by the Warrant Agent

The Warrant Agent may act on the opinion or advice obtained from Counsel to the Warrant Agent and shall, provided it acts in good faith in reliance thereon, not be responsible for any loss occasioned by doing so nor shall it incur any liability or responsibility for determining in good faith not to act upon such opinion or advice. The Warrant Agent may rely, and shall be protected in relying, upon any statement, request, direction or other paper or document believed by it to be genuine and to have been signed, sent or presented by or on behalf of the proper party or parties. The Warrant Agent may assume for the purposes of this Indenture that any address on the register of the Warrantholders is the holder's actual address and is also determinative as to residency and that the address of any transferee to whom any Common Shares are to be registered, as shown on the transfer document is the transferee's actual address and is also determinative as to residency of the transferee. The Warrant Agent shall have no obligation to ensure that legends appearing on the Warrant Certificates or Common Shares comply with regulatory requirements or Applicable Securities Laws.

11.16 Privacy

The parties to this Warrant Indenture acknowledge that federal and/or provincial legislation that addresses the protection of individuals' personal information (collectively, "**Privacy Laws**") applies to obligations and activities under this Warrant Indenture. Despite any other provision of this Warrant Indenture, neither party shall take or direct any action that would contravene, or cause the other party to contravene, applicable Privacy Laws. The Company shall, prior to transferring or causing to be transferred personal information to the Warrant Agent, obtain and retain required consents of the relevant individuals to the collection, use and disclosure of their personal information, or shall have determined that such consents either have previously been given upon which the parties can rely or are not required under applicable Privacy Laws. The Warrant Agent shall use commercially best efforts to ensure that its services hereunder comply with applicable Privacy Laws. Specifically, the Warrant Agent agrees: (a) to have a designated chief privacy officer; (b) to maintain policies and procedures to protect personal information and to receive and respond to any privacy complaint or inquiry; (c) to use personal information solely for the purposes of providing its services under or ancillary to this Warrant Indenture and not to use it for any other purpose except with the consent of or direction from the Company or the individual involved; (d) not to sell or otherwise improperly disclose personal information to any third party; and (e) to employ administrative, physical and technological safeguards to reasonably secure and protect personal information against loss, theft or unauthorized access, use or modification.

11.17 Anti-Money Laundering

The Warrant Agent shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Warrant Agent, in its sole judgment, acting reasonably, determines that such act might cause it to be in noncompliance with any applicable anti-money laundering, anti-terrorist or economic sanction legislation, regulation or guideline. Further, should the Warrant Agent, in its sole judgment, acting reasonably, determine at any time that its acting under this Indenture has resulted in its being in non-compliance with any applicable anti-money laundering, anti-terrorist or economic sanction legislation, regulation or guideline, then it shall have the right to resign on 10 Business Days' prior written notice sent to the Company provided that (i) the Warrant Agent's written notice shall describe the circumstances of such non-compliance; and (ii) if such circumstances are rectified to the Warrant Agent's satisfaction within such 10-Business Day period, then such resignation shall not be effective.

11.18 Force Majeure

Neither party to this Indenture shall be personally liable to the other, or held in breach of this Indenture, if prevented, hindered, or delayed in the performance or observance of any provision contained herein by reason of an act of God, riots, terrorism, acts of war, epidemics, governmental action or judicial order, earthquakes, or any other similar causes (including, but not limited to, mechanical, electronic or communication interruptions, disruptions or failures). Performance times under this Indenture shall be extended for a period of time equivalent to the time lost because of any delay that is excusable under this Section 11.18.

ARTICLE XII
ACCEPTANCE OF TRUSTS BY WARRANT AGENT

12.1 Appointment and Acceptance of Functions

The Company hereby appoints the Warrant Agent under the terms and conditions set forth in this Indenture. The Warrant Agent hereby accepts the terms of this Indenture declared and provided for and agrees to perform the same upon the terms and conditions set forth herein.

ARTICLE XIII
GENERAL

13.1 Notice to the Company and the Warrant Agent

(1) Unless herein otherwise expressly provided, any notice to be given hereunder to the Company and to the Warrant Agent shall be in writing and may be given by mail, or by e-mail (with original copy to follow by mail) or by personal delivery and shall be addressed as follows:

(a) if to the Company, to

Titan Medical Inc.
170 University Avenue
Suite 1000
Toronto, Ontario M5H 3B3

Attention: Stephen Randall
E-mail: stephen@titanmedicalinc.com

with a copy to:

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West, Suite 3400
Toronto, Ontario M5H 3E3

Attention: Manoj Pundit
E-mail: mpundit@blg.com

(b) if to the Warrant Agent, to

Computershare Trust Company of Canada
100 University Avenue
11th Floor
Toronto, Ontario M5J 2Y1

Attention: General Manager, Corporate Trust Department
E-mail: [●]

and shall be deemed to have been given, if delivered or sent by courier, on the date of delivery or, if mailed, on the third (3rd) Business Day following the date of the postmark on such notice or, if sent by e-mail, on the date of e-mail transmission. Any delivery made or sent by e-mail on a day other than a Business Day, or after 3:00 p.m. (Toronto time) on a Business Day, shall be deemed to be received on the next following Business Day.

(2) The Company or the Warrant Agent, as the case may be, may from time to time give notice in the manner provided in subsection 13.1(1) of a change of address which, from the effective date of such notice and until changed by like notice, shall be the address of the Company or the Warrant Agent, as the case may be, for all purposes of this Indenture. A copy of any notice of change of address of the Company given pursuant to this subsection 13.1(2) shall be sent to the principal transfer office of the Warrant Agent in the City of Toronto, Ontario and shall be available for inspection by Warrantholders during normal business hours.

(3) If, by reason of a strike, lockout or other work stoppage, actual or threatened, involving postal employees, any notice to be given to the Warrant Agent or to the Company hereunder could reasonably be considered unlikely to reach its destination, such notice shall be valid and effective only if it is delivered to an officer of the party to which it is addressed or if it is delivered to such party at the appropriate address provided in subsection 13.1(1) by e-mail or other means of prepaid, transmitted, recorded communication and any such notice delivered in accordance with the foregoing shall be deemed to have been received on the date of delivery to such officer or if delivered by e-mail or other means of prepaid, transmitted, recorded communication, on the first Business Day following the date of the sending of such notice by the Person giving such notice.

13.2 Time of the Essence

Time shall be of the essence in this Indenture.

13.3 Counterparts and Formal Date

This Indenture may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution shall be deemed to be dated as of the date hereof.

13.4 Discretion of Directors

Any matter provided herein to be determined by the Directors shall be determined by the Directors in their sole discretion and any determination so made will be conclusive.

13.5 Satisfaction and Discharge of Indenture

Upon the earlier of (a) the date by which there shall have been delivered to the Warrant Agent for exercise or cancellation of all Warrant Certificates theretofore certified hereunder or (b) the expiration of the Exercise Period, this Indenture, except to the extent that Common Shares and certificates therefor have not been issued and delivered hereunder or the Warrant Agent or the Company have not performed any of their obligations hereunder, shall cease to be of further effect and the Warrant Agent, on demand of and at the cost and expense of the Company and upon delivery to the Warrant Agent of a certificate of the Company stating that all conditions precedent to the satisfaction and discharge of this Indenture have been complied with and upon payment to the Warrant Agent of the fees and other remuneration payable to the Warrant Agent, shall execute proper instruments acknowledging satisfaction of and discharging of this Indenture.

13.6 Provisions of Indenture and Warrant Certificates for the Sole Benefit of Parties and Warrantholders

Nothing in this Indenture or the Warrant Certificates, expressed or implied, shall give or be construed to give to any Person other than the parties hereto and the holders of the Warrant Certificates any legal or equitable right, remedy or claim under this Indenture, or under any covenant or provision herein contained, all such covenants and provisions being for the sole benefit of the parties hereto and the Warrantholders.

13.7 Common Shares or Warrants Owned by the Company or its Subsidiaries Certificates to be Provided

For the purpose of disregarding any Warrants owned legally or beneficially by the Company or any Subsidiary of the Company or any other Affiliate of the Company in Section 9.16, the Company shall provide to the Warrant Agent, from time to time, a certificate of the Company setting forth as at the date of such certificate (a) the names (other than the name of the Company) of the registered holders of Common Shares which, to the knowledge of the Company, are owned by or held for the account of the Company or any Subsidiary of the Company or any other Affiliate of the Company; and (b) the number of Warrants owned legally and beneficially by the Company or any Subsidiary of the Company or any other Affiliate of the Company, and the Warrant Agent in making the determination in Section 9.16 shall be entitled to rely on such certificate.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the parties hereto have executed this Indenture as of the date first written above.

TITAN MEDICAL INC.

By: *(signed) "Stephen Randall"*
Name: Stephen Randall
Title: Chief Financial Officer

COMPUTERSHARE TRUST COMPANY OF CANADA

By: *(signed) "Robert Morrison"*
Name: Robert Morrison
Title: Corporate Trust Officer

By: *(signed) "Lisa Kudo"*
Name: Lisa Kudo
Title: Corporate Trust Officer

SCHEDULE "A"
FORM OF WARRANT CERTIFICATE

COMMON STOCK PURCHASE WARRANT

TITAN MEDICAL INC.

Warrant Shares: _____ Initial Exercise Date: March __, 2019

THIS COMMON STOCK PURCHASE WARRANT (the "Warrant") certifies that, for value received, _____ or its assigns (the "Holder") is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after the date hereof (the "Initial Exercise Date") and on or prior to 5:00 p.m. (New York City time) on March ___,2024[1] (the "Termination Date") but not thereafter, to subscribe for and purchase from Titan Medical Inc., an Ontario corporation (the "Company"), up to _____ shares (as subject to adjustment hereunder, the "Warrant Shares") of Common Stock. The purchase price of one share of Common Stock under this Warrant shall be equal to the Exercise Price, as defined in Section 2(b).

Section 1. Definitions. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in that certain warrant indenture (the "Warrant Indenture"), dated March [●], 2019, between the Company and the Transfer Agent.

Section 2. Exercise.

a) Exercise of Warrant. Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, at any time or times on or after the Initial Exercise Date and on or before the Termination Date by delivery to the Company of a duly executed facsimile copy or PDF copy submitted by e-mail (or e-mail attachment) of the Notice of Exercise in the form annexed hereto (the "Notice of Exercise"). Within the earlier of (i) two (2) Trading Days and (ii) the number of Trading Days comprising the Standard Settlement Period (as defined in Section 2(d)(i) herein) following the date of exercise as aforesaid, the Holder shall deliver the aggregate Exercise Price for the shares specified in the applicable Notice of Exercise by wire transfer or cashier's check drawn on a United States bank unless the cashless exercise procedure specified in Section 2(c) below is specified in the applicable Notice of Exercise. No ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise be required. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation within three (3) Trading Days of the date on which the final Notice of Exercise is delivered to the Company. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. The Holder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases. The Company shall deliver any objection to any Notice of Exercise within one (1) Business Day of receipt of such notice. **The Holder and any assignee, by acceptance of this Warrant, acknowledge and agree that, by reason of the provisions of this paragraph, following the purchase of a portion of the Warrant Shares hereunder, the number of Warrant Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof.**

[1] Insert the date that is the five-year anniversary of the Initial Exercise Date, provided that, if such date is not a Trading Day, insert the immediately following Trading Day.

b) Exercise Price. The exercise price per share of Common Stock under this Warrant shall be US$4.00, subject to adjustment hereunder (the "Exercise Price").

c) Cashless Exercise. If at the time of exercise hereof there is no effective registration statement registering, or the prospectus contained therein is not available for the issuance of the Warrant Shares to the Holder, then this Warrant may also be exercised, in whole or in part, at such time by means of a "cashless exercise" in which the Holder shall be entitled to receive a number of Warrant Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

(A) = as applicable: (i) the VWAP on the Trading Day immediately preceding the date of the applicable Notice of Exercise if such Notice of Exercise is (1) both executed and delivered pursuant to Section 2(a) hereof on a day that is not a Trading Day or (2) both executed and delivered pursuant to Section 2(a) hereof on a Trading Day prior to the opening of "regular trading hours" (as defined in Rule 600(b)(64) of Regulation NMS promulgated under the federal securities laws of the United States) on such Trading Day, (ii) at the option of the Holder, either (y) the VWAP on the Trading Day immediately preceding the date of the applicable Notice of Exercise or (z) the Bid Price of the Common Stock on the Primary Trading Market as reported by Bloomberg L.P. as of the time of the Holder's execution of the applicable Notice of Exercise if such Notice of Exercise is executed during "regular trading hours" on a Trading Day and is delivered within two (2) hours thereafter (including until two (2) hours after the close of "regular trading hours" on a Trading Day) pursuant to Section 2(a) hereof or (iii) the VWAP on the date of the applicable Notice of Exercise if the date of such Notice of Exercise is a Trading Day and such Notice of Exercise is both executed and delivered pursuant to Section 2(a) hereof after the close of "regular trading hours" on such Trading Day; As used herein, "Primary Trading Market" means the TSX unless the volume of trading of the Common Stock on the TSX in the 12 months immediately preceding was less than 25%, then Nasdaq.

(B) = the Exercise Price of this Warrant, as adjusted hereunder; and

(X) = the number of Warrant Shares that would be issuable upon exercise of this Warrant in accordance with the terms of this Warrant if such exercise were by means of a cash exercise rather than a cashless exercise.

If Warrant Shares are issued in such a cashless exercise, the parties acknowledge and agree that in accordance with Section 3(a)(9) of the Securities Act, the Warrant Shares shall take on the registered characteristics of the Warrants being exercised. The Company agrees not to take any position contrary to this Section 2(c).

"Bid Price" means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Primary Trading Market, the bid price of the Common Stock for the time in question (or the nearest preceding date) on the Primary Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported in the "Pink Sheets" published by OTC Markets Group, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Purchasers of a majority in interest of the Securities then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

"VWAP" means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Primary Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Primary Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported in the "Pink Sheets" published by OTC Markets Group, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Purchasers of a majority in interest of the Securities then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

Notwithstanding anything herein to the contrary, on the Termination Date, this Warrant shall be automatically exercised via cashless exercise pursuant to this Section 2(c).

d) Mechanics of Exercise.

i. Delivery of Warrant Shares Upon Exercise. The Company shall cause the Warrant Shares purchased hereunder to be transmitted by the Transfer Agent to the Holder by crediting the account of the Holder's or its designee's balance account with The Depository Trust Company through its Deposit or Withdrawal at Custodian system ("DWAC") if the Company is then a participant in such system and either (A) there is an effective registration statement permitting the issuance of the Warrant Shares to or resale of the Warrant Shares by Holder or (B) this Warrant is being exercised via cashless exercise, and otherwise by physical delivery of a certificate, registered in the Company's share register in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the address specified by the Holder in the Notice of Exercise by the date that is the earliest of (i) two (2) Trading Days after the delivery to the Company of the Notice of Exercise, (ii) one (1) Trading Day after delivery of the aggregate Exercise Price to the Company and (iii) the number of Trading Days comprising the Standard Settlement Period after the delivery to the Company of the Notice of Exercise (such date, the "Warrant Share Delivery Date"), provided that under no circumstances shall the Company be required to cause the Warrant Shares to be delivered prior to the payment of the aggregate Exercise Price. Upon delivery of the Notice of Exercise, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the Warrant Shares, provided that payment of the aggregate Exercise Price (other than in the case of a cashless exercise) is received within the earlier of (i) two (2) Trading Days and (ii) the number of Trading Days comprising the Standard Settlement Period following delivery of the Notice of Exercise. If the Company fails for any reason to deliver to the Holder the Warrant Shares subject to a Notice of Exercise by the Warrant Share Delivery Date, the Company shall pay to the Holder, in cash, as liquidated damages and not as a penalty, for each US$1,000 of Warrant Shares subject to such exercise (based on the VWAP of the Common Stock on the date of the applicable Notice of Exercise), US$10 per Trading Day (increasing to US$20 per Trading Day on the fifth Trading Day after such liquidated damages begin to accrue) for each Trading Day after such Warrant Share Delivery Date until such Warrant Shares are delivered or Holder rescinds such exercise. The Company agrees to maintain a transfer agent that is a participant in the FAST program so long as this Warrant remains outstanding and exercisable. As used herein, "Standard Settlement Period" means the standard settlement period, expressed in a number of Trading Days, on the Company's Primary Trading Market with respect to the Common Stock as in effect on the date of delivery of the Notice of Exercise.

ii. Delivery of New Warrants Upon Exercise. If this Warrant shall have been exercised in part, the Company shall, at the request of a Holder and upon surrender of this Warrant certificate, at the time of delivery of the Warrant Shares, deliver to the Holder a new Warrant evidencing the rights of the Holder to purchase the unpurchased Warrant Shares called for by this Warrant, which new Warrant shall in all other respects be identical with this Warrant.

iii. Rescission Rights. If the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares pursuant to Section 2(d)(i) by the Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise.

iv. Compensation for Buy-In on Failure to Timely Deliver Warrant Shares Upon Exercise. In addition to any other rights available to the Holder, if the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares in accordance with the provisions of Section 2(d)(i) above pursuant to an exercise on or before the Warrant Share Delivery Date, and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Company shall (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Stock having a total purchase price of US$11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock with an aggregate sale price giving rise to such purchase obligation of US$10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder US$1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

v. No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. As to any fraction of a share which the Holder would otherwise be entitled to purchase upon such exercise, the Company shall pay a cash adjustment in respect of such final fraction in an amount equal (computed in the case of a fraction of a cent to the next lower cent) to the value of the right to acquire such fractional interest on the basis of the Current Market Price at the Exercise Date. The minimum amount for payment pursuant to this Section shall be $1.00.

vi. Charges, Taxes and Expenses. Issuance of Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such Warrant Shares, including any rush fees of the Transfer Agent (provided the exercise is for not less than US$50,000), all of which taxes and expenses shall be paid by the Company, and such Warrant Shares shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; provided, however, that in the event that Warrant Shares are to be issued in a name other than the name of the Holder, this Warrant when surrendered for exercise shall be accompanied by the Assignment Form attached hereto duly executed by the Holder and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any transfer tax incidental thereto. The Company shall pay all Transfer Agent fees required for same-day processing of any Notice of Exercise and all fees to the Depository Trust Company (or another established clearing corporation performing similar functions) required for same-day electronic delivery of the Warrant Shares.

vii. Closing of Books. The Company will not close its stockholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

e) Holder's Exercise Limitations. The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 2 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Notice of Exercise, the Holder (together with the Holder's Affiliates, and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates (such Persons, "Attribution Parties")), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates and Attribution Parties shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other Common Stock Equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 2(e), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 2(e) applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 2(e), in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within one Trading Day confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of this Warrant. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 2(e), provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock upon exercise of this Warrant held by the Holder and the provisions of this Section 2(e) shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 2(e) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Warrant.

Section 3. Certain Adjustments.

a) Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Company upon exercise of this Warrant), (ii) subdivides outstanding shares of Common Stock into a larger number of shares, (iii) combines (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (iv) issues by reclassification of shares of the Common Stock any shares of capital stock of the Company, then in each case the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event, and the number of shares issuable upon exercise of this Warrant shall be proportionately adjusted such that the aggregate Exercise Price of this Warrant shall remain unchanged. Any adjustment made pursuant to this Section 3(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

b) Subsequent Equity Sales. If the Company or any Subsidiary thereof, as applicable, at any time while this Warrant is outstanding, shall sell or grant any option to purchase, or sell or grant any right to reprice, or otherwise dispose of or issue (or announce any offer, sale, grant or any option to purchase or other disposition) any Common Stock or Common Stock Equivalents, at an effective price per share less than the Exercise Price then in effect (such lower price, the "Base Share Price" and such issuances collectively, a "Dilutive Issuance") (it being understood and agreed that if the holder of the Common Stock or Common Stock Equivalents so issued shall at any time, whether by operation of purchase price adjustments, reset provisions, floating conversion, exercise or exchange prices or otherwise, or due to warrants, options or rights per share which are issued in connection with such issuance, be entitled to receive shares of Common Stock at an effective price per share that is less than the Exercise Price, such issuance shall be deemed to have occurred for less than the Exercise Price on such date of the Dilutive Issuance at such effective price), then simultaneously with the consummation (or, if earlier, the announcement) of each Dilutive Issuance the Exercise Price shall be reduced and only reduced to equal the Base Share Price, provided that the Base Share Price shall not be less than (and in such case shall equal) US$3.95 (subject to adjustment for reverse and forward stock splits, recapitalizations and similar transactions following the date of the Warrant Indenture). Such adjustment shall be made whenever such Common Stock or Common Stock Equivalents are issued. Notwithstanding the foregoing, no adjustments shall be made, paid or issued under this Section 3(b) in respect of an Exempt Issuance. "Exempt Issuance" shall mean the issuance of (a) shares of Common Stock or options to employees, officers, directors or contractors for service of the Company pursuant to any stock or option plan duly adopted for such purpose and approved by the shareholders of the Company, (b) securities upon the exercise or exchange of or conversion of any Securities issued hereunder and/or other securities exercisable or exchangeable for or convertible into shares of Common Stock issued and outstanding on the date of this Agreement, provided that such securities have not been amended since the date of this Agreement to increase the number of such securities or to decrease the exercise price, exchange price or conversion price of such securities (other than in connection with stock splits or combinations) or to extend the term of such securities, and (c) securities issued pursuant to acquisitions or strategic transactions approved by a majority of the disinterested directors of the Company, provided that such securities are issued as "restricted securities" (as defined in Rule 144) and carry no registration rights that require or permit the filing of any registration statement in connection therewith and provided that any such issuance shall only be to a Person (or to the equityholders of a Person) which is, itself or through its subsidiaries, an operating company or an owner of an asset in a business synergistic with the business of the Company and shall provide to the Company additional benefits in addition to the investment of funds, but shall not include a transaction in which the Company is issuing securities primarily for the purpose of raising capital or to an entity whose primary business is investing in securities).The Company shall notify the Holder, in writing, no later than the Trading Day following the issuance or deemed issuance of any Common Stock or Common Stock Equivalents subject to this Section 3(b), indicating therein the applicable issuance price, or applicable reset price, exchange price, conversion price and other pricing terms (such notice, the "Dilutive Issuance Notice"). For purposes of clarification, whether or not the Company provides a Dilutive Issuance Notice pursuant to this Section 3(b), upon the occurrence of any Dilutive Issuance, the Holder is entitled to receive a number of Warrant Shares based upon the Base Share Price regardless of whether the Holder accurately refers to the Base Share Price in the Notice of Exercise.

c) [RESERVED]

d) [RESERVED]

e) Fundamental Transaction. If, at any time while this Warrant is outstanding, (i) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another Person, (ii) the Company, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock, (iv) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, or (v) the Company, directly or indirectly, in one or more related transactions consummates a stock or share Warrant Indenture or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another Person or group of Persons whereby such other Person or group acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other Person or other Persons making or party to, or associated or affiliated with the other Persons making or party to, such stock or share Warrant Indenture or other business combination) (each a "Fundamental Transaction"), then, upon any subsequent exercise of this Warrant, the Holder shall have the right to receive, for each Warrant Share that would have been issuable upon such exercise immediately prior to the occurrence of such Fundamental Transaction, at the option of the Holder (without regard to any limitation in Section 2(e) on the exercise of this Warrant), the number of shares of Common Stock of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional consideration (the "Alternate Consideration") receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which this Warrant is exercisable immediately prior to such Fundamental Transaction (without regard to any limitation in Section 2(e) on the exercise of this Warrant). For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. If a majority of the warrants issued pursuant to the Offering and which remain outstanding are held by the original subscribers thereof, then: the Company shall cause any successor entity in a Fundamental Transaction in which the Company is not the survivor (the "Successor Entity") to assume in writing all of the obligations of the Company under this Warrant and the other Transaction Documents in accordance with the provisions of this Section 3(e) pursuant to written agreements in form and substance reasonably satisfactory to the Holders of, and approved by the Holders (without unreasonable delay) of, a majority of the Warrants (the "Majority Holders"), prior to such Fundamental Transaction and shall, at the option of the Majority Holders, deliver to the Holder in exchange for this Warrant a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Warrant which is exercisable for a corresponding number of shares of capital stock of such Successor Entity (or its parent entity) equivalent to the shares of Common Stock acquirable and receivable upon exercise of this Warrant (without regard to any limitations on the exercise of this Warrant) prior to such Fundamental Transaction, and with an exercise price which applies the exercise price hereunder to such shares of capital stock (but taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock, such number of shares of capital stock and such exercise price being for the purpose of protecting the economic value of this Warrant immediately prior to the consummation of such Fundamental Transaction), and which is reasonably satisfactory in form and substance to the Majority Holders. Upon the occurrence of any such Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Warrant and the other Transaction Documents referring to the "Company" shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Warrant and the other Transaction Documents with the same effect as if such Successor Entity had been named as the Company herein.

f) Calculations. All calculations under this Section 3 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 3, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding treasury shares, if any) issued and outstanding.

g) Notice to Holder.

i. Adjustment to Exercise Price. Whenever the Exercise Price is adjusted pursuant to any provision of this Section 3, the Company shall promptly deliver to the Holder by facsimile or email a notice setting forth the Exercise Price after such adjustment and any resulting adjustment to the number of Warrant Shares and setting forth a brief statement of the facts requiring such adjustment.

ii. Notice to Allow Exercise by Holder. If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Common Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock, (C) the Company shall authorize the granting to all holders of the Common Stock rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights, (D) the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock, any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property, or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be delivered by facsimile or email to the Holder at its last facsimile number or email address as it shall appear upon the Warrant Register of the Company, at least 15 calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange; provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice. To the extent that any notice provided in this Warrant constitutes, or contains, material, non-public information regarding the Company or any of the Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K or shall publicly disclose the material non-public information in accordance with applicable laws. The Holder shall remain entitled to exercise this Warrant during the period commencing on the date of such notice to the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

Section 4. Transfer of Warrant.

a) Transferability. This Warrant and all rights hereunder (including, without limitation, any registration rights) are transferable, in whole or in part, upon surrender of this Warrant at the principal office of the Company or its designated agent, together with a written assignment of this Warrant substantially in the form attached hereto duly executed by the Holder or its agent or attorney and funds sufficient to pay any transfer taxes payable upon the making of such transfer. Upon such surrender and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees, as applicable, and in the denomination or denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant evidencing the portion of this Warrant not so assigned, and this Warrant shall promptly be cancelled. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company unless the Holder has assigned this Warrant in full, in which case, the Holder shall surrender this Warrant to the Company within three (3) Trading Days of the date on which the Holder delivers an assignment form to the Company assigning this Warrant in full. The Warrant, if properly assigned in accordance herewith, may be exercised by a new holder for the purchase of Warrant Shares without having a new Warrant issued.

b) New Warrants. This Warrant may be divided or combined with other Warrants upon presentation hereof at the aforesaid office of the Company, together with a written notice specifying the names and denominations in which new Warrants are to be issued, signed by the Holder or its agent or attorney. Subject to compliance with Section 4(a), as to any transfer which may be involved in such division or combination, the Company shall execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants to be divided or combined in accordance with such notice. All Warrants issued on transfers or exchanges shall be dated the initial issuance date of this Warrant and shall be identical with this Warrant except as to the number of Warrant Shares issuable pursuant thereto.

c) Warrant Register. The Company shall register this Warrant, upon records to be maintained by the Company for that purpose (the "Warrant Register"), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

Section 5. Miscellaneous.

a) No Rights as Stockholder Until Exercise. This Warrant does not entitle the Holder to any voting rights, dividends or other rights as a stockholder of the Company prior to the exercise hereof as set forth in Section 2(d)(i), except as expressly set forth in Section 3.

b) Loss, Theft, Destruction or Mutilation of Warrant. The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any stock certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or stock certificate, if mutilated, the Company will make and deliver a new Warrant or stock certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or stock certificate.

c) Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then, such action may be taken or such right may be exercised on the next succeeding Business Day.

d) Authorized Shares.

The Company covenants that, during the period the Warrant is outstanding, it will reserve from its authorized and unissued Common Stock a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares upon the exercise of the purchase rights under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the exchange upon which the Common Stock may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue).

Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its certificate of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (i) not increase the par value of any Warrant Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (ii) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and (iii) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof, as may be, necessary to enable the Company to perform its obligations under this Warrant.

Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

e) Jurisdiction. All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be determined in accordance with the provisions of the Warrant Indenture.

f) Restrictions. The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered, and the Holder does not utilize cashless exercise, will have restrictions upon resale imposed by Applicable Securities Laws.

g) Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice the Holder's rights, powers or remedies. Without limiting any other provision of this Warrant or the Warrant Indenture, if the Company willfully and knowingly fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to the Holder such amounts as shall be sufficient to cover any costs and expenses including, but not limited to, reasonable attorneys' fees, including those of appellate proceedings, incurred by the Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

h) Notices. Any notice, request or other document required or permitted to be given or delivered to the Holder by the Company shall be delivered in accordance with the notice provisions of the Warrant Indenture.

i) Limitation of Liability. No provision hereof, in the absence of any affirmative action by the Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of the Holder, shall give rise to any liability of the Holder for the purchase price of any Common Stock or as a stockholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

j) Remedies. The Holder, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Warrant. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Warrant and hereby agrees to waive and not to assert the defense in any action for specific performance that a remedy at law would be adequate.

k) Successors and Assigns. Subject to Applicable Securities Laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of any Holder from time to time of this Warrant and shall be enforceable by the Holder or holder of Warrant Shares.

l) Amendment. This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company and the Holder.

m) Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Warrant.

n) Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

****

(Signature Page Follows)

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its officer thereunto duly authorized as of the date first above indicated.

TITAN MEDICAL INC.

By:_____
Name:
Title:

NOTICE OF EXERCISE

TO: TITAN MEDICAL INC.

(1) The undersigned hereby elects to purchase _____ Warrant Shares of the Company pursuant to the terms of the attached Warrant (only if exercised in full), and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any.

(2) Payment shall take the form of (check applicable box):

[ ] in lawful money of the United States; or

[ ] [if permitted the cancellation of such number of Warrant Shares as is necessary, in accordance with the formula set forth in subsection 2(c), to exercise this Warrant with respect to the maximum number of Warrant Shares purchasable pursuant to the cashless exercise procedure set forth in subsection 2(c).

(3) Please issue said Warrant Shares in the name of the undersigned or in such other name as is specified below:

_____

The Warrant Shares shall be delivered to the following DWAC Account Number:

_____

_____

_____

This exercise of warrants, and the Company's obligation to issue the Warrant Shares, shall not be effective or enforceable if the issuance of the Warrant Shares to the holder would result in the holder and its joint actors and affiliates would hold greater than 9.99% of the outstanding common shares after giving effect to the exercise and issuance, without the holder having filed and cleared a Personal Information Form (in prescribed form) with the Toronto Stock Exchange.

[SIGNATURE OF HOLDER]

Name of Investing Entity: _____
Signature of Authorized Signatory of Investing Entity: _____
Name of Authorized Signatory: _____
Title of Authorized Signatory: _____
Date: _____

EXHIBIT B

ASSIGNMENT FORM

(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name: _____
(Please Print)

Address: _____
(Please Print)

Phone Number:
Email Address:
Dated: _____ __, _____
Holder's Signature: _____
Holder's Address: _____

Exhibit 99.3

Date: March 22, 2019

100 University Avenue, 8th floor
Toronto ON, M5J 2Y1
www.computershare.com

To: All Canadian Securities Regulatory Authorities

Subject: TITAN MEDICAL INC.

Dear Sir/Madam:

We advise of the following with respect to the upcoming Meeting of Security Holders for the subject Issuer:

Meeting Type:	Annual General and Special Meeting
Record Date for Notice of Meeting:	April 18, 2019
Record Date for Voting (if applicable):	April 18, 2019
Beneficial Ownership Determination Date:	April 18, 2019
Meeting Date:	May 23, 2019
Meeting Location (if available):	Toronto, ON
Issuer sending proxy related materials directly to NOBO:	Yes
Issuer paying for delivery to OBO:	Yes

Notice and Access (NAA) Requirements:

NAA for Beneficial Holders	No
NAA for Registered Holders	No

Voting Security Details:

Description	CUSIP Number	ISIN
COMMON SHARES	88830X819	CA88830X8199

Sincerely,

Computershare
Agent for TITAN MEDICAL INC.

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Titan Medical Inc. (the "**Company**" or "**Titan**")
170 University Avenue
Suite 1000
Toronto, Ontario
M5H 3B3

Item 2 Date of Material Change

March 18, 2019 and March 21, 2019.

Item 3 News Release

The press releases attached as Schedule "A" and Schedule "B" were disseminated through Business Wire on March 19, 2019 and March 21, 2019 with respect to the material changes.

Item 4 Summary of Material Change

On March 19, 2019, the Company announced that it had filed a final short-form prospectus with securities regulators in Ontario, British Columbia and Alberta and a corresponding registration statement on Form F-10 with the United States Securities and Exchange Commission, with respect to its previously announced offering of units on March 18, 2019 (the "Offering").

On March 21, 2019, the Company announced that it had closed the Offering. The Company sold 7,352,941 units (each, a "**Unit**") under the Offering at a price of US $3.40 per Unit (the "**Offering Price**") for gross proceeds of US $25,000,000. Each Unit is comprised of one common share of the Company (a "**Common Share**") and one warrant entitling the holder to purchase one Common Share at a price of US $4.00 until March 21, 2024.

The Corporation also announced that the over-allotment option granted to Bloom Burton Securities Inc. as agent for its offering, has been exercised and the Corporation has sold an additional 1,102,941 Units at closing at the Offering Price for additional gross proceeds to the Corporation of US $3,750,000.

The closing of the Offering and the exercise of the Over-Allotment Option together resulted in total gross proceeds of approximately US$ 28,750,000 and the sale and issuance of 8,455,882 Units.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Please see the press releases attached as Schedule "A" and Schedule "B".

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

The following executive officer is knowledgeable about the material changes and may be contacted about this report:

Stephen Randall
Chief Financial Officer
(416) 548-7522 (ext. 152)

Email: stephen@titanmedicalinc.com
Website: www.titanmedicalinc.com

Item 9 Date of Report

March 28, 2019.

Schedule "A"

[*See Attached*]

170 University Avenue • Suite 1000
Toronto, Ontario, Canada M5H 3B3 •Tel: 416.548.7522
info@titanmedicalinc.com • www.titanmedicalinc.com

Titan Medical Announces Filing of Final Prospectus

TORONTO, March 19, 2019 – **Titan Medical Inc.** ("**Titan**" or the "**Company**") (TSX:TMD) (NASDAQ:TMDI), a medical device company focused on the design, development and commercialization of a robotic surgical system for application in minimally invasive surgery ("**MIS**"), is pleased to announce that yesterday it filed and was receipted for a final short form prospectus (the "**Final Prospectus**") in connection with the previously announced marketed offering (the "Offering") of units of the Company (the "**Units**"). Pursuant to the Offering, Titan will issue Units at a price of US $3.40 per Unit for gross proceeds of a minimum of US $20,000,000 and a maximum of US $25,000,000. Each Unit is comprised of one common share of the Company (a "Common Share") and one Common Share purchase warrant of the Company (a "**Warrant**"). Each Warrant is exercisable for one Common Share at a price of US $4.00, for a period of 5 years following the closing of the Offering. It is expected that closing of the Offering will occur on or about March 21, 2019, or such other date or dates as the Company and the Agent may agree.

The Offering will be undertaken on a best efforts basis pursuant to the terms and conditions of an agency agreement entered into between the Company and Bloom Burton Securities Inc. (the "**Agent**"). The Company has granted the Agent a 30-day over-allotment option to sell up to an additional 15% of the number of Units and/or Warrants offered in the Offering.

The Units will also be offered for sale in the United States by Northland Securities, Inc. as sub- agent with respect to the offer and sale of the Units in the United States . In connection with the Offering, the Agent will be paid a cash commission equal to 7.0% of the gross proceeds of the Offering and it will be issued that number of non-transferable broker warrants exercisable for Common Shares equal to 7.0% of the number of Units sold in the Offering.

The Final Prospectus has been filed in each of the provinces of Ontario, British Columbia and Alberta, and a corresponding registration statement on Form F-10 (the "Registration Statement") has been filed with the United States Securities and Exchange Commission under the US.- Canada Multijurisdictional Disclosure System.

The net proceeds of the Offering will be used to fund continued development work in connection with the Company's SPORT Surgical System, as well as for working capital and other general corporate purposes. Further details are disclosed in the Final Prospectus, available at www.sedar.com and the Registration Statement, available at www.sec.gov.

The Offering is subject to a number of customary conditions, including, without limitation, receipt of all regulatory and stock exchange approvals. This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Units, in any province, state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such province, state or jurisdiction.

About Titan

Titan Medical Inc. is focused on computer-assisted robotic surgical technologies for application in 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 an advanced ergonomic interface to the patient cart and a 3D endoscopic view inside the patient's body. Titan intends initially to pursue focused surgical indications for the SPORT Surgical System, which may include one or more of gynecologic, urologic, colorectal or general abdominal procedures.

For more information, please visit the Company's website at www.titanmedicalinc.com.

Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of applicable Canadian and U.S. securities laws. Such statements reflect the current expectations of management of the Company's future growth, results of operations, performance and business prospects and opportunities. Wherever possible, words such as "may", "would", "could", "will", "anticipate", "believe", "plan", "expect", "intend", "estimate", "potential for" and similar expressions have been used to identify these forward-looking statements. These statements, including with respect to the use of the net proceeds of the Offering and the closing date of the Offering reflect management's current beliefs with respect to future events and are based on information currently available to management. Forward-looking statements involve significant risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, without limitation, those listed in the "Risk Factors" section of the Company's Annual Information Form dated March 31, 2018 (which may be viewed at www.sedar.com). Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance, or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this news release. These factors should be considered carefully, and prospective investors should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in the news release are based upon what management currently believes to be reasonable assumptions, the Company cannot assure prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. Except as required by law, the Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Contact Information

LHA Investor Relations

Kim Sutton Golodetz
(212) 838-3777
kgolodetz@lhai.com
or
Bruce Voss
(310) 691-7100
bvoss@lhai.com

Schedule "B"

[*See Attached*]

170 University Avenue • Suite 1000
Toronto, Ontario, Canada M5H 3B3 •Tel: 416.548.7522
info@titanmedicalinc.com • www.titanmedicalinc.com

Titan Medical Closes Public Offering

TORONTO, March 21, 2019 – Titan Medical Inc. ("**Titan**" or the "**Company**") (TSX:TMD) (Nasdaq:TMDI), a medical device company focused on the design, development and commercialization of a robotic surgical system for application in minimally invasive surgery ("**MIS**"), is pleased to announce the closing of its previously announced public offering (the "**Offering**") pursuant to an agency agreement dated March 18, 2019 between the Company and Bloom Burton Securities Inc. (the "**Agent**").

The Company closed the Offering on March 21, 2019 and issued 7,352,941 units (the "**Units**") for gross proceeds of approximately US $25,000,000. Each Unit was issued at a price of US $3.40 per Unit (the "Offering Price") and is comprised of one common share of the Company (a "**Common Share**") and one warrant entitling the holder to purchase one Common Share at a price of US $4.00 until expiry on March 20, 2024.

The Agent also exercised, in full, the over-allotment option (the "Over-Allotment Option") granted to the Agent in conjunction with the Offering and pursuant to the exercise of the Over-Allotment Option, the Company sold an additional 1,102,941 Units at closing at the Offering Price for additional gross proceeds to the Company of approximately US $3,750,000.

The closing of the Offering and the exercise of the Over-Allotment Option together resulted in total gross proceeds of approximately US $28,750,000 and the sale and issuance of 8,455,882 Units.

The Common Shares sold and issued in connection with the closing were listed and posted for trading on the Toronto Stock Exchange under the symbol "TMD" and on the Nasdaq Capital Market under the symbol "TMDI" on March 21, 2019.

The Units were qualified for sale by way of a prospectus dated March 18, 2019 (the "**Prospectus**") filed by the Company in each of the provinces of Ontario, British Columbia and Alberta, and a corresponding registration statement on Form F-10 (the "**Registration Statement**") with the United States Securities and Exchange Commission under the U.S.-Canada Multijurisdictional Disclosure System. The Units were offered for sale in the United States through Northland Capital Markets, which was appointed by the Agent as a sub-agent. Northland Capital Markets is a division of Northland Securities, Inc., member FINRA/SIPC.

The net proceeds of the Offering will be used to fund continued development work in connection with the Company's SPORT Surgical System, as well as for working capital and other general corporate purposes. Further details are disclosed in the Prospectus, available at www.sedar.com and the Registration Statement, available at www.sec.gov.

Related Party Transaction

An aggregate of 1,350 Units were issued to an insider of the Company under the Offering for gross proceeds of US $4,590. The insider subscription constitutes a "related party transaction" pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). In completing the insider subscription, the Company relied on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 set forth in sections 5.5(a) and 5.7(a) of MI 61-101, as the aggregate value of the insider subscription does not exceed 25% of the market capitalization of the Company. The Company did not file a material change report more than 21 days before the expected closing of the Offering due to the limited time between the commitment by the insider to purchase the subject Units and the closing.

About Titan

Titan Medical Inc. is focused on computer-assisted robotic surgical technologies for application in 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 an advanced ergonomic interface to the patient cart and a 3D endoscopic view inside the patient's body. Titan intends initially to pursue focused surgical indications for the SPORT Surgical System, which may include one or more of gynecologic, urologic, colorectal or general abdominal procedures.

For more information, please visit the Company's website at www.titanmedicalinc.com

Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of applicable Canadian and U.S. securities laws. Such statements reflect the current expectations of management of the Company's future growth, results of operations, performance and business prospects and opportunities. Wherever possible, words such as "may", "would", "could", "will", "anticipate", "believe", "plan", "expect", "intend", "estimate", "potential for" and similar expressions have been used to identify these forward-looking statements. These statements, including with respect to the use of the net proceeds of the Offering, reflect management's current beliefs with respect to future events and are based on information currently available to management. Forward-looking statements involve significant risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, without limitation, those listed in the "Risk Factors" section of the Company's Annual Information Form dated March 31, 2018 (which may be viewed at www.sedar.com). Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance, or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this news release. These factors should be considered carefully, and prospective investors should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in the news release are based upon what management currently believes to be reasonable assumptions, the Company cannot assure prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. Except as required by law, the Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Contact Information

LHA Investor Relations

Kim Sutton Golodetz
(212) 838-3777
kgolodetz@lhai.com
or
Bruce Voss
(310) 691-7100
bvoss@lhai.com

Exhibit 99.5

Date: April 24, 2019
AMENDED

100 University Avenue, 8th floor
Toronto ON, M5J 2Y1
www.computershare.com

To: All Canadian Securities Regulatory Authorities

Subject: TITAN MEDICAL INC.

Dear Sir/Madam:

We advise of the following with respect to the upcoming Meeting of Security Holders for the subject Issuer:

Meeting Type:	Annual General and Special Meeting
Record Date for Notice of Meeting:	April 18, 2019
Record Date for Voting (if applicable):	April 18, 2019
Beneficial Ownership Determination Date:	April 18, 2019
Meeting Date:	**May 29, 2019**
Meeting Location (if available):	Toronto, ON
Issuer sending proxy related materials directly to NOBO:	Yes
Issuer paying for delivery to OBO:	Yes

Notice and Access (NAA) Requirements:

NAA for Beneficial Holders	No
NAA for Registered Holders	No

Voting Security Details:

Description	CUSIP Number	ISIN
COMMON SHARES	88830X819	CA88830X8199

Sincerely,

Computershare
Agent for TITAN MEDICAL INC.

170 University Avenue • Suite 1000
Toronto, Ontario, Canada M5H 3B3 • Tel: 416.548.7522
info@titanmedicalinc.com • www.titanmedicalinc.com

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON MAY 29, 2019

AND

MANAGEMENT INFORMATION CIRCULAR

DATED APRIL 29, 2019

*These materials are important and require your immediate attention. They require shareholders of Titan Medical Inc. (the "**Corporation**") to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal or other professional advisors. If you have any questions or require more information with regard to voting your shares of the Corporation, please contact Computershare Trust Company of Canada at (416) 263-9200.*

TITAN MEDICAL INC.

170 University Avenue, Suite 1000
Toronto, Ontario, Canada
M5H 3B3

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual and Special Meeting (the "**Meeting**") of shareholders of Titan Medical Inc. (the "Corporation") will be held at the Toronto Hilton Hotel, 145 Richmond Street West, Simcoe Room, Main Lobby, Toronto, Ontario M5H 2L2, on Wednesday, May 29, 2019 at 12:00 p.m.., Toronto time, for the following purposes:

1. to receive and consider the financial statements of the Corporation for the fiscal year ended December 31, 2018, together with the report of the auditors thereon;

2. to elect directors of the Corporation for the ensuing year;

3. to appoint as auditors BDO Canada LLP, the incumbent auditors of the Corporation, and authorize the directors to fix the remuneration of the auditors;

4. to consider, and if deemed advisable, approve an ordinary resolution for the adoption of a share unit plan (the **SU Plan**") and a deferred share unit plan (the "**DSU Plan**") of the Corporation and the reservation of common shares for issuance pursuant to each plan;

5. to consider, and if deemed advisable, approve an ordinary resolution confirming amendments to the Corporation's stock option plan, amended and restated as of March 14, 2018 (the "**Option Plan**" and, collectively with the SU Plan and DSU Plan, the "**Compensation Plans**"), to increase the number of common shares reserved for issuance pursuant to the exercise of options and other awards granted under the Compensation Plans and to increase the number of common shares that can be reserved for issuance to insiders of the Corporation at any time and issued to insiders of the Corporation in any one year period;

6. to consider, and if deemed advisable, approve an ordinary resolution for the amendment of the exercise prices of options granted to executive officers and other employees who are insiders of the Corporation under the Option Plan to the higher of the March 21, 2019 offering price of US$3.40 and the five day volume-weighted average price ("**VWAP**") as determined as of the close of business on May 28, 2019; and

7. to transact such other business as may properly come before the Meeting or any adjournments thereof.

A copy of the information circular and form of proxy accompany this Notice.

Only shareholders of record as of April 18, 2019, the record date (the '**Record Date**"), are entitled to receive notice of the Meeting.

The directors have fixed 5:00 p.m. on May 27, 2019 or the second last business day before any adjournment of the Meeting as the time before which proxies to be used at the Meeting (or any adjournment thereof) must be deposited with the Corporation or with Computershare Trust Company of Canada.

DATED the 29th day of April, 2019.

By Order of the Board

(signed) "David McNally"
Chief Executive Officer
Titan Medical Inc.

170 University Avenue, Suite 1000, Toronto, Ontario, Canada M5H 3B3

MANAGEMENT INFORMATION CIRCULAR

Dated April 29, 2019

for the

Annual and Special Meeting of Shareholders

to be held on May 29, 2019

INFORMATION CIRCULAR

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TITAN MEDICAL INC.
INFORMATION CIRCULAR
April 29, 2019

Introduction

This Information Circular (the "Circular") is furnished in connection with the solicitation by the management of Titan Medical Inc. (the "Corporation") of proxies to be used at the annual and special meeting (the "Meeting") of shareholders of the Corporation to be held at the Toronto Hilton Hotel, 145 Richmond Street West, Simcoe Room, Main Lobby, Toronto, Ontario M5H 2L2 at 12:00 p.m. (Toronto time) on Wednesday, May 29, 2019 for the purposes set forth in the accompanying Notice of Meeting. Except where otherwise indicated, this Circular contains information as of the close of business on April 29, 2019. It is expected that the solicitation will be primarily by mail but proxies may also be solicited personally by management of the Corporation at nominal cost. The cost of any such solicitation by management will be borne by the Corporation.

The Corporation may pay the reasonable costs incurred by persons who are the registered but not beneficial owners of voting shares of the Corporation (such as brokers, dealers, other registrants under applicable securities laws, nominees and/or custodians) in sending or delivering copies of this Circular and form of proxy to the beneficial owners of such shares. The Corporation will provide, without cost to such persons, upon request to the Secretary of the Corporation, additional copies of the foregoing documents required for this purpose.

Forward-Looking Statements

This Circular contains certain forward-looking statements with respect to the Corporation based on assumptions that management of the Corporation considered reasonable at the time they were prepared. These forward-looking statements, by their nature, necessarily involve risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements.

Information Contained in this Circular

No person has been authorized to give information or to make any representations in connection with the matters to be considered at the Meeting other than those contained in this Circular and, if given or made, any such information or representations should not be relied upon in making a decision as to how to vote on the resolutions or be considered to have been authorized by the Corporation or the Board of Directors (the "**Board**" or "**Board of Directors**") of the Corporation.

This Circular does not constitute an offer to buy, or a solicitation of an offer to sell, any securities. This Circular also does not constitute the solicitation of a proxy by any person in any jurisdiction in which such a solicitation is not authorized or in which the person making such a solicitation is not qualified to do so or to any person to whom it is unlawful to make such a solicitation.

Shareholders should not construe the contents of this Circular as legal, tax or financial advice and should consult with their own professional advisors as to the relevant legal, tax, financial or other matters in connection with the Meeting.

General Proxy Matters

Appointment, Time for Deposit and Revocability of Proxy

Shareholders of the Corporation are either registered or non-registered. Registered shareholders typically hold shares of the Corporation in their own names because they have requested that their shares be registered in their names on the records of the Corporation rather than holding such shares through an intermediary (intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIF's, RESP's and similar plans). Most shareholders are non-registered because their shares are registered in the name of either (a) an intermediary with whom the non-registered shareholder deals in respect of their shares, or (b) a clearing agency (such as The Canadian Depository for Securities Limited) of which the intermediary is a participant.

Only registered shareholders or duly appointed proxyholders will be permitted to vote at the Meeting. Non-registered shareholders may vote through a proxy or attend the Meeting to vote their own shares only if, before the Meeting, they communicate instructions to the intermediary or clearing agency that holds their shares. Instructions for voting through a proxy, appointing a proxyholder and attending the Meeting to vote are set out in this Circular.

A shareholder may receive multiple packages of Meeting materials if the shareholder holds shares of the Corporation through more than one intermediary or if the shareholder is both a registered shareholder and a non-registered shareholder for different shareholdings. Any such shareholder should repeat the steps to vote through a proxy, appoint a proxyholder or attend the Meeting, if desired, separately for each shareholding to ensure that all the shares from the various shareholders are represented and voted at the meeting.

Voting by Proxy

Shareholders who are unable to be present at the Meeting may vote through the use of proxies. Shareholders should convey their voting instructions using one of the two voting methods available: (1) use of the form of proxy or voting instruction form to be returned by mail, delivery or facsimile, or (2) use of the Internet voting procedure. By conveying voting instructions in one of the two ways, shareholders can participate in the Meeting through the person or persons named on the voting instruction form or form of proxy.

To convey voting instructions through any of the two methods available, a shareholder must locate the voting instruction form or form of proxy, one of which is included with the Circular in the package of Meeting materials sent to all shareholders. The voting instruction form is a white, computer scanable document with red squares marked "X" (the "**voting instruction form**") and is sent to most non-registered shareholders. The form of proxy is a form headed "Form of Proxy" (the "**form of proxy**") and it is sent to all registered shareholders and a small number of non-registered shareholders.

Mail

A shareholder who elects to use the paper voting procedure should complete a voting instruction form or a form of proxy. If the form of proxy is already signed, do not sign it again. Complete the remainder of the voting instruction form or form of proxy. Ensure that you date and sign the form at the bottom. Completed voting instruction forms should be returned to the relevant intermediary in the envelope provided and should be received by the cut-off date shown on the voting instruction form. Completed forms of proxy should be returned in the envelope provided to the Corporation's transfer agent and registrar, Computershare Trust Company of Canada ("**Computershare**"), 100 University Avenue, 8th Floor, South Tower, Toronto, Ontario, M5J 2Y1 or by hand to: 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 no later than 5:00 p.m. (Toronto time) on May 27, 2019 (or the second last business day preceding any adjournment of the Meeting).

Fax

A shareholder who elects to use the facsimile voting procedure should complete a voting instruction form or a form of proxy. If the form of proxy is already signed, do not sign it again. Complete the remainder of the voting instruction form or form of proxy. Ensure that you date and sign the form at the bottom. Completed voting instruction forms should be faxed to the relevant intermediary at the number provided and should be received by the cut-off date shown on the voting instruction form. Completed forms of proxy should be returned by fax to Computershare at 1-866-249-7775 no later than 5:00 p.m. (Toronto time) on May 27, 2019 (or the second last business day preceding any adjournment of the Meeting).

Internet

Shareholders may convey their voting instructions through the Internet. The relevant website address is set out on the voting instruction form and form of proxy. Follow the instructions given through the Internet to cast your vote. When instructed to enter your Web Voting ID Number, refer to your voting instruction form or your form of proxy. Votes conveyed by the Internet must be received no later than the cut-off time given on the voting instruction form or the form of proxy.

Appointing a Proxyholder

Shareholders unable to attend the Meeting in person may participate and vote at the Meeting through a proxyholder. The persons named on the enclosed form of proxy as proxyholders to represent shareholders at the Meeting, being David McNally and John E. Barker, are directors and/or officers of the Corporation. **A shareholder has the right to appoint a person or company instead of those named above to represent such shareholder at the Meeting. A non-registered shareholder who would like to attend the Meeting to vote must arrange with the intermediary to have himself or herself appointed as the proxyholder.** To appoint a person or company instead of David McNally or John E. Barker as proxyholder, strike out the names on the voting instruction form or form of proxy and write the name of the person you would like to appoint as your proxyholder in the blank space provided. That person need not be a shareholder of the Corporation.

Non-registered shareholders appointing a proxyholder using a voting instruction form should fill in the rest of the form indicating a vote “for”, “against” or “withhold”, as the case may be, for each of the proposals listed, sign and date the form and return it to the relevant intermediary or clearing agency in the envelope provided or by facsimile by the cut-off time given on the form. Proxyholders named on a signed form of proxy will be entitled to vote at the Meeting upon presentation of the form of proxy. No person will be entitled to vote at the Meeting by presenting a voting instruction form.

Alternatively, any shareholder may use the Internet to appoint a proxyholder. To use this option, access the website address printed on the voting instruction form or form of proxy and follow the instructions set out on the website. Refer to the control number or holder account number and proxy access number printed on the voting instruction form or form of proxy when required to enter these numbers.

Revocation of Voting Instructions or Proxies

Voting instructions submitted by mail, facsimile or through the Internet using a voting instruction form will be revoked if the relevant intermediary receives new voting instructions before the close of business on May 27, 2019 (or the second last business day before any adjournment of the Meeting).

Proxies submitted by mail, facsimile or through the Internet using a form of proxy may be revoked by submitting a new proxy to Computershare before 5:00 p.m. (Toronto time) on May 27, 2019 or the second last business day before any adjournment of the Meeting. Alternatively, a shareholder who wishes to revoke a proxy may do so by depositing an instrument in writing to such effect addressed to the attention of the Corporation’s Chief Financial Officer and executed by the shareholder or by the shareholder’s attorney authorized in writing. Such an instrument must be deposited at the registered office of the Corporation, located at 170 University Avenue, Suite 1000, Toronto, Ontario, M5H 3B3, before the close of business on May 27, 2019, or the second last business day before any adjournment of the Meeting. On the day of the Meeting or any adjournment thereof, a shareholder may revoke a proxy by depositing an instrument in writing to such effect with the chair of the Meeting; however, it will not be effective with respect to any matter on which a vote has already been cast.

In addition, a proxy may be revoked by any other manner permitted by law.

Voting of Proxies

The persons named in the enclosed form of proxy will vote, or withhold from voting, the shares in respect of which they are appointed in accordance with the direction of the shareholders appointing them. In the absence of such direction, such shares will be voted for the election of directors, for the appointment of the auditor and authorization of the board to fix the auditor's remuneration, for the amendments to the Corporation's stock option plan, amended and restated as of March 14, 2018 (the "Option Plan"), for the adoption of the proposed share unit plan of the Corporation (the "SU Plan") and the proposed deferred share unit plan (the "DSU Plan" and, collectively with the Option Plan and the SU Plan, the "Compensation Plans") and for amendment of the exercise prices of options granted to executive officers and employees who are insiders of the Corporation. The enclosed form of proxy confers discretionary authority upon the persons named therein to exercise their judgement and to vote with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the date hereof, the management of the Corporation knows of no such amendments or variations or of any other matters to come before the Meeting other than the matters referred to in the Notice of Meeting.

Voting Shares and Principal Holders Thereof

On April 18, 2019, the Corporation had outstanding 31,150,237 common shares ("Common Shares"), each carrying the right to one vote per share. Shareholders registered on the books of the Corporation (or their respective proxies) at the close of business on April 18, 2019 (the "**Record Date**") are entitled to vote at the Meeting, except to the extent that a registered shareholder transfers any of such shareholder's shares after April 18, 2019, and the transferee of such shares produces properly endorsed share certificates or otherwise establishes that such shareholder owns such shares and demands, not later than 10 days before the Meeting, that such shareholder's name be included in the list of shareholders entitled to vote at the Meeting.

As at April 18, 2019, to the knowledge of the directors and senior officers of the Corporation, no person or company beneficially owns, directly or indirectly, or exercises control or direction over greater than 10% of the Common Shares of the Corporation.

Business of the Meeting

Financial Statements

The directors will place before the Meeting the financial statements for the year ended December 31, 2018 together with the auditors' report thereon. The financial statements will have already been mailed to shareholders that have requested them and are also available on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**") website at *www.sedar.com* or through the U.S. Securities and Exchange Commission's electronic data system called EDGAR at *www.sec.gov* and on the Corporation's website at *www.titanmedicalinc.com*. No vote by shareholders with respect to the financial statements is required or proposed to be taken.

Other than as indicated, all dollar amounts reported in this Circular are in U.S. dollars.

Election of Directors

The Corporation currently has six (6) directors, five (5) of whom are being nominated for re-election at the Meeting. All directors are elected annually. **Unless such authority is withheld, the person named in the enclosed form of proxy intends to vote for the election of the nominees whose names are set forth below. Management does not contemplate that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion.** Each director elected will hold office until the next annual meeting or until his office is earlier vacated in accordance with the by-law of the Corporation.

Majority Voting Policy

The Board of Directors has adopted a majority voting policy to the effect that if a director nominee in an uncontested election receives a greater number of votes "withheld" than votes "for", he or she must immediately tender his or her resignation to the Board of Directors. The Corporate Governance and Nominating Committee will consider the director's offer to resign and make a recommendation to the Board of Directors whether to accept it or not. The Board of Directors shall accept the resignation unless there are exceptional circumstances, and the resignation will be effective when accepted by the Board of Directors. The Board of Directors shall make its final determination within 90 days after the date of the shareholder meeting and promptly announce that decision (including, if applicable, the exceptional circumstances for rejecting the resignation) in a news release. A director who tenders his or her resignation pursuant to the majority voting policy will not participate in any meeting of the Board of Directors or the Corporate Governance and Nominating Committee at which the resignation is considered. The majority voting policy does not apply to the election of directors at contested meetings; that is, where the number of directors nominated for election is greater than the number of seats available on the Board of Directors.

Nominees for Election as Directors

The following table and the notes thereto set out the names of all the persons proposed to be nominated for election as directors, their principal occupation, the date on which each became a director of the Corporation and the number of Common Shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them as at April 18, 2019 as well as information concerning committee membership:

Name and Municipality of Residence	Principal Occupation	Director Since	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly (1)
John E. Barker(2)(3)(4) Burlington, Ontario, Canada	Corporate Director Previously served as Senior Vice President, Finance, Chief Financial Officer and held other senior executive positions at Zenon Environmental Inc.	2009	32,714
David J. McNally Salt Lake City, Utah, USA	President and Chief Executive Officer	2017	4,167
Stephen Randall Toronto, Ontario, Canada	Chief Financial Officer and Secretary	2017	22,993
Domenic Serafino(2)(3)(4) Toronto, Ontario, Canada	Chairman and CEO of Venus Concept Ltd.	2018	0
John E. Schellhorn(2)(3)(4) Portsmouth, New Hampshire, USA	President and CEO of Global Kinetics Corporation	2017	294
Charles Federico(5) Cornelius, North Carolina, USA	Corporate Director	-	0

Notes:

(1) The information as to Common Shares beneficially owned, or controlled or directed, directly or indirectly, not being within the knowledge of the Corporation, has been furnished by the respective nominees individually.
(2) Member of the Audit Committee of the Corporation.
(3) Member of the Compensation Committee of the Corporation.
(4) Member of the Governance Committee of the Corporation.
(5) If elected at the Meeting, will serve as a member of the Audit Committee, Compensation Committee and Governance Committee of the Corporation.

Biographies of Director Nominees

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

John E. Barker - Director

Mr. Barker is a finance professional with general management experience. Mr. Barker previously acted as the Senior Vice President of Finance, Chief Financial Officer and other senior executive positions at Zenon Environmental Inc., a Toronto Stock Exchange ("**TSX**") listed company, from 2000 to 2006. He was responsible for managing the finance and information technology of over 35 subsidiary companies in 25 different countries. During his career, Mr. Barker has held senior positions in finance and operations as well as overseeing human resources, information technology and procurement. In addition, Mr. Barker has been a member of various other public company boards. Mr. Barker is a Fellow of the Chartered Professional Accountants of Canada and holds the FCPA, FCMA designation.

David J. McNally – Director, President and Chief Executive Officer

Mr. McNally is the President and Chief Executive Officer of the Corporation. Mr. McNally joined Titan after serving as the founder, President, CEO and Chairman of the Board of Domain Surgical Inc., founded in 2009 and based in Salt Lake City, Utah. Mr. McNally brings substantial experience and extraordinary leadership skills with all facets of building innovative medical device companies including clinically-focused product design and development, capital formation, regulatory clearance, and commercialization. Mr. McNally earned an MBA from the University of Utah, holds a Bachelor of Science degree in Mechanical Engineering from Lafayette College, Easton, PA and is the co-inventor of more than 40 U.S. and international patents associated with robotic surgical systems, ferromagnetic surgical devices and systems, electromagnetic and ultrasonic sensors and medical fluid delivery systems.

Stephen Randall – Director, Chief Financial Officer and Secretary

Mr. Randall is the Chief Financial Officer and Secretary of the Corporation. He joined the Corporation in March 2010. Previously, Mr. Randall served in senior financial roles with both private, publicly traded and start-up companies in the manufacturing, telecommunications and technology sectors. Mr. Randall holds the Canadian CPA, CGA designation as well as a Hon. B. Comm. and B.A.

Domenic Serafino – Director

Mr. Serafino has over 25 years of medical device experience and is currently the Chairman and CEO of Venus Concept Ltd.– a world leading provider of non-invasive aesthetic technology solutions sold in over 65 countries through an industry first and only subscription-based business model. From 2001 through 2006, Mr. Serafino was the President of Syneron Medical Ltd., a NASDAQ publicly traded company (symbol ELOS) where he was instrumental in guiding the company through its IPO process. Additionally, Mr. Serafino was a partner and chief operating officer of Sigmacon Group – a Canadian device distribution company providing technology solutions for ophthalmology, urology, gynecology and aesthetic service providers. Prior to Sigmacon, he worked with Ingram and Bell (Marquette Electronics), providing technology solutions to the cardiology and cardiovascular medical community in Canada.

John E. Schellhorn - Director

Mr. Schellhorn is a 32 year veteran of the medical technology industry, where he has held various senior management positions in the United States, Canada and Asia/Pacific. He is currently President and CEO of Global Kinetics Corporation, a Melbourne, Australia headquartered company commercializing the world's first objective measurement technology for patients with Parkinson's disease. From 2012 to 2016, he was President and CEO of Monteris Medical Inc., a Canadian neurosurgery company which employed the world's first MRI compatible robot.

Charles Federico – Director

Charles W. Federico has 46 years of experience in the medical device industry. As a Director of MAKO Surgical Corp. (Nasdaq: MAKO), he served as Chairman, Lead Director, Compensation Committee Chairman, Governance Committee Chairman, and an Audit Committee Member between 2007 – 2013. MAKO, a developer of minimally invasive robotic-enabled techniques for knee surgery, was sold to Stryker in 2013 for $1.65 billion. Prior to that, Mr. Federico served as the President and Chief Executive Officer at Orthofix International N.V. from January 1, 2001 to April 1, 2006. He has also held various management and marketing positions at Orthofix Inc., Smith & Nephew Endoscopy (formerly Dyonics, Inc.), General Foods Corporation, Air Products Corporation, Puritan Bennett Corporation and LSE Corporation and has held board of director positions at Orthofix International, SRI Surgical Express Inc., LENSAR Inc., Salumedica, Active Implants Corporation, Power Medical Interventions Inc. and BioMimetic Therapeutics Inc. In addition, Mr. Federico has served on the Board of Trustees of the Orthopaedic Research and Education Foundation, has served as an Advisory Member and Trustee to the School of Biomedical Engineering at Virginia Tech and Wake Forest Universities and was a founding Trustee and Member of the Board of the American Sports Medicine Institute.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Corporation, none of the persons nominated for election as directors at the Meeting: (a) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company that: (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an "**Order**") that was issued while the person was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; (b) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the person.

To the knowledge of the Corporation, none of the persons nominated for election as directors at the Meeting, nor any personal holding company thereof owned or controlled by them: (i) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Interest of Management and Others in Material Transactions

No proposed director of the Corporation or informed person, or any associate or affiliate of a proposed director of the Corporation or informed person has any material interest, direct or indirect, in any transaction in which the Corporation has participated since the commencement of the Corporation's most recently completed financial year, or in any proposed transaction which has materially affected or will materially affect the Corporation.

AMENDMENT TO OPTIONS ISSUED UNDER THE OPTION PLAN

Description of the Proposed Amendment

The Option Plan is used to award equity incentives to officers, directors, employees and service providers to encourage behavior that is in the best interests of the Corporation and its shareholders. The overarching purpose of the Option Plan is to advance the interests of the Corporation by aligning the participants' interests with those of the Corporation's shareholders generally.

Over the past several years, the Corporation entered into a series of option agreements (each an "**Option Agreement**") pursuant to which the Corporation granted to eligible participants options to purchase Common Shares ("**Options**") at the applicable exercise price. A total of 965,782 Options granted to participants remain outstanding, including 485,101 Options ("**Insider Options**") that were granted to executive officer or employee participants who are insiders of the Corporation. The following table sets out the Options that remain outstanding for each officer or employee participant who is an insider of the Corporation and the number of Common Shares that each such participant currently holds:

Participant	Number of Common Shares Held	Number of Options Held	Exercise Price(s)
David McNally	4,167	332,537	$ 15.00 - $17.10
Perry Genova	514	91,680	$ 12.90 - $15.00
Stephen Randall	22,993	60,884	$ 12.90 - $58.20
Total	27,674	485,101	

At the time the Options were issued, it was believed that the exercise price per Common Share would provide sufficient incentive to align the interests of participants with those of the Corporation. However, due to adjustments to the exercise price of the Options that were required following the Corporation's 30:1 share consolidation in June 2018, as approved by shareholders at the annual and special meeting of shareholders held on June 14, 2018, the Corporation's current share price relative to the adjusted Option exercise prices is such that the Options may no longer be having their intended effect. The exercise prices of the Insider Options range from $4.41 to $58.20 per share and exceed the market price of Common Shares, on both the TSX and the Nasdaq. Consequently, the Corporation is proposing to amend all of the Options issued to officers and other employees of the Corporation so that the respective holder will be entitled to purchase one Common Share at an exercise price equal to the higher of the March 21, 2019 offering price of US$3.40 per share or the five day VWAP as determined as of the close of business on May 22, 2019 (the "**Exercise Price Amendment**"). Options that have been issued to directors of the Corporation under the Option Plan will not be amended at this time.

Reasons Supporting the Exercise Price Amendment

The proposed Exercise Price Amendment is intended to re-align the interest of participants with those of the Corporation and its shareholders by setting the exercise price of the Options at a level more in line with the Corporation's current share price. The Exercise Price Amendment will also align the Options with the overriding principle of the Corporation's determination of executive and employee compensation, which is to provide compensation packages that will attract and retain qualified and experienced directors, executive officers and employees, reward the executive officers and employees for their contribution to the overall success of the Corporation and integrate the longer term interests of the executive officers and employees with the investment objectives of the Corporation's shareholders.

The Exercise Price Amendment will also ensure that officers and employees are not rewarded by receiving an exercise price for Options that is inappropriately low, by setting the revised exercise price at the higher of the 5-day VWAP of the Corporation's Common Shares and the offering price per security in the Corporation's most recent offering of securities.

Approvals Required for the Exercise Price Amendment

Section 613 of the TSX Company Manual (the "**Manual**") provides that specific security holder approval is required for a reduction in the exercise price of a security based compensation arrangement that benefits an insider of an issuer. As such, shareholders will be asked at the Meeting to approve the Exercise Price Amendment as it applies to Insider Options. For the purposes of obtaining such shareholder approval, the votes of securities held directly or indirectly by executive officers or employees who are insiders benefiting directly or indirectly from the amendment must be excluded. As such, in order to obtain the disinterested shareholder approval required by Section 613 of the Manual, votes attached to the 27,674 Common Shares held by executive officer or employee insider participants who will benefit from the Exercise Price Amendment must be excluded from voting on the Exercise Price Amendment as it relates to Insider Options.

Shareholders, other than shareholders who are insider participants in the Option Plan that will benefit from the Exercise Price Amendment, will be asked at the Meeting to consider and, if deemed advisable, to pass the following resolution relating to the Exercise Price Amendment as it applies to Insider Options:

"RESOLVED THAT

1. the Corporation is hereby authorized and directed to amend the exercise price of the common share purchase options ("Options") granted to executive officers or employees who are insiders of the Corporation (collectively, the "**Insider Participants**") pursuant to agreements (each an "Option Agreement") entered into between an Insider Participant and the Corporation under the Corporation's stock option plan, amended and restated as of March 14, 2018, to a price equal to the higher of the March 21, 2019 offering price of US$3.40 per share or the five day volume weighted average price on either the TSX or the Nasdaq, as determined as of the close of business on May 28, 2019 (the "**Exercise Price Amendment**").

2. the Board of Directors of the Corporation be and it is hereby authorized to revoke, without further approval of the shareholders, this resolution at any time prior to the completion thereof, notwithstanding the approval by the shareholders of same, if determined, in the Board of Directors' sole discretion to be in the best interest of the Corporation; and

3. any director or officer of the Corporation is hereby authorized and directed to execute and deliver, for and on behalf of the Corporation, under its corporate seal or otherwise, the necessary amendments to the Option Agreements to implement the Exercise Price Amendment, subject to any changes as may be approved by such person, such approval to be conclusively evidenced by the execution of said documents;

AMENDMENTS TO THE OPTION PLAN

Description of the Option Plan Amendments

The Option Plan is a "rolling" option plan. Prior to the amendments to the Option Plan, the maximum number of Common Shares that could be reserved for issuance under the Option Plan was 10% of the total issued and outstanding Common Shares, from time to time. The Board has approved amendments to the Option Plan, subject to obtaining shareholder approval of such amendments at the Meeting, to increase the number of Common Shares that may be reserved under the Option Plan and any other security based compensation arrangements to 15% of the total issued and outstanding Common Shares, from time to time. If the adoptions of the SU Plan and DSU Plan are also approved by shareholders at the Meeting, the 15% maximum will be an aggregate number which applies to Common Shares reserved for issuances under options and any other awards granted pursuant to the Compensation Plans. As of April 29, 2019, there are 31,150,237 Common Shares issued and outstanding, resulting in up to 4,672,536 Common Shares being available for reservation under the proposed Compensation Plans if the amendments to the Option Plan are approved by shareholders.

In addition, the Corporation is proposing to remove the limitation from the Option Plan that restricts the aggregate number of Common Shares that may be reserved for issuance to insiders of the Corporation (as defined in the Manual) at any time and the number of Common Shares that may be issued to insiders of the Corporation within any one year period under the Compensation Plans and any other security based compensation arrangements of the Corporation, from exceeding 10% of the Corporation's issued and outstanding Common Shares (such restrictions, the "**Insider Participation Limit**"). The Corporation would instead restrict the aggregate number of Common Shares that may be reserved for issuance to insiders of the Corporation at any time and the number of Common Shares that may be issued to insiders of the Corporation within any one year period under the Compensation Plans and any other security based compensation arrangements of the Corporation, from exceeding 15% of the Corporation's issued and outstanding Common Shares. The amended Option Plan is attached hereto as Schedule "B", blacklined to the current version of the Option Plan.

Pursuant to the rules of the TSX, every three years after institution, all unallocated options, rights or other entitlements under a security based compensation arrangement which does not have a fixed maximum aggregate of securities issuable, must be approved by the issuer's shareholders. For the purposes of obtaining such shareholder approval in respect of the Corporation's Compensation Plans, the votes of securities held directly or indirectly by insiders benefiting directly or indirectly from the amendment will be required to be excluded if the Insider Participation Limit is removed from the Option Plan.

The Corporation is proposing to maintain the current maximum aggregate number of Common Shares reserved for issuance to any one participant under the Compensation Plans or any other equity incentive plan of the Corporation in any 12-month period at 5% of the total number of issued and outstanding Common Shares (on a non-diluted basis).

Reasons Supporting the Option Plan Amendments

The Board believes these amendments are necessary to encourage Common Share ownership by directors, officers, consultants and key employees of the Corporation and its affiliates. Particularly in conjunction with the adoption of the SU Plan and DSU Plan, the proposed amendments to the Option Plan will ensure that the Corporation, as it continues to grow its number of directors, officer, employees and consultants, has the flexibility to grant a sufficient number of awards, to each and in total, under the Compensation Plans to allow it to attract and retain talented and experienced directors, officers, employees and consultants. Before reaching its conclusion, the Board commissioned an independent third party study of peer compensation, which yielded the result that 15% of the total issued and outstanding Common Shares is reflective of similar compensation arrangements among the Corporation's peers, determined based on the medical device industry, public company status and stage of commercialization.

Approvals Required for the Option Plan Amendments

Section 613 of the Manual also provides that specific security holder approval is required for an increase to the maximum number of securities issuable under a security based compensation arrangement as well as any amendment to remove or exceed the Insider Participation Limit. For the purposes of obtaining such shareholder approval, the votes of securities held directly or indirectly by insiders benefiting directly or indirectly from the amendment must be excluded. As such, in order to obtain the disinterested shareholder approval required by Section 613 of the Manual, votes attached to the 60,501 Common Shares held by insider participants who will benefit from the amendments to the Option Plan must be excluded from voting on such amendments.

Shareholders, other than insiders of the Corporation that will benefit from the amendments to the Option Plan, will be asked at the Meeting to consider and, if deemed advisable, to pass the following resolution relating to such amendments:

"RESOLVED THAT:

1. the amendments to the Corporation's stock option plan, amended and restated as of March 14, 2018 (the "**Option Plan**") to increase the maximum number of Common Shares reserved for issuance under the Option Plan and the SU Plan of the Corporation and the DSU Plan of the Corporation (if the same are established) to 15% of the issued and outstanding Common Shares, from time to time are hereby approved, subject to such changes as may be required to be made in order to comply with the requirements of the TSX;

2. the amendments to the Option Plan to increase the limit of the aggregate number of Common Shares that may be reserved for issuance to insiders of the Corporation at any time thereunder and under the other Compensation Plans (if the same are established) and the number of common shares that may be issued to insiders of the Corporation within any one year period under the Option Plan and the other Compensation Plans (if the same are established) to 15% of the Corporation's issued and outstanding Common Shares are hereby approved, subject to such changes as may be required to be made in order to comply with the requirements of the TSX;

3. all options outstanding under the Stock Option Plan or any previous form of stock option plan shall remain valid and outstanding and they shall be governed by the terms of the applicable previous form of stock option plan as it existed when they were granted;

4. notwithstanding the approval of the shareholders of the Corporation as herein provided the Board of Directors of the Corporation, may, in its sole discretion, at any time suspend or terminate the amendments to the Stock Option Plan provided for herein or revoke this resolution before it is acted upon, without further approval of the shareholders of the Corporation; and

5. any one director or officer of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation, to execute and deliver or file such documents and instruments and to do all such other acts and things as are required or as such director or officer, in such director's or officer's sole discretion, may deem necessary to give full effect to or carry out the provisions of the above resolution."

The Board recommends that the shareholders vote FOR the foregoing resolution ratifying, confirming and approving the amendments to the Option Plan.

Unless such authority is withheld, the persons named in the enclosed instrument of proxy intend to vote for the proposed amendments to the Option Plan.

ADOPTION OF THE SU PLAN AND THE DSU PLAN

Description of the SU Plan and the DSU Plan

The Corporation's long term incentive plan is currently only comprised of stock option awards. While the Corporation continues to believe that Options provide management and other key personnel with strong alignment to long-term corporate performance and ultimately the creation of increasing shareholder value, the Corporation also feels that it is important to diversify its long-term incentive plans to include other forms of performance-contingent and other compensation. Accordingly, the Corporation is proposing to expand its long-term incentive program to include the SU Plan and the DSU Plan.

The Board has approved the SU Plan and the DSU Plan, a summary of each of which is provided below under the heading "*Compensation Plans*". The proposed SU Plan and DSU Plan are attached as Schedules "C" and "D", respectively, and the summaries of the Plans below are qualified by the Plans in their entirety. Pursuant to the SU Plan, the Board may, from time to time, provide eligible executive officers and employees of the Corporation and its affiliates with a grant of performance share units ("**PSU**") and/or restricted share units ("**RSU**"). Pursuant to the DSU Plan, the Compensation Committee may provide eligible directors of the Corporation with deferred share units ("**DSU**"). In accordance with the policies of the TSX, the Corporation is required to obtain the approval of shareholders for each of the Plans at the Meeting. No awards are intended to be made pursuant to either Plan prior to obtaining such approval.

If approved, both Plans will be effective as of May 29, 2019, and if the proposed amendments to the Option Plan are also approved by shareholders at the Meeting:

- the aggregate maximum number of Common Shares that will be reserved for issuance under the Compensation Plans will be equal to 15% of the issued and outstanding Common Shares, from time to time (provided that if the proposed amendments to the Option Plan are not approved by shareholders, the aggregate maximum number of Common Shares that will be reserved for issuance under the Compensation Plans will be equal to 10% of the issued and outstanding Common Shares, from time to time);

- the maximum number of Common Shares that may be issued to insiders of the Corporation pursuant to the Option Plan, the SU Plan and the DSU Plan will exceed the Insider Participation Limit (as defined in the rules of the TSX) such that the number of Common Shares issued to insiders of the Corporation within any one year period and the number of Common Shares issuable to insiders of the Corporation under the Compensation Plans at any time may exceed 10%, but shall not exceed the proposed maximum limit of 15%, of the issued and outstanding Common Shares.

Reasons Supporting the Adoption of the SU Plan and DSU Plan

The Corporation has a strong desire to attract and retain the best possible talent, whether that be seasoned and experienced executives, successful and proven board members, or additional key leaders and employees. The Corporation requires the use of stock options, as well as the awards provided under the proposed SU Plan and DSU Plan to accomplish these objectives.

With the introduction of the SU Plan, the Corporation will be able to include (performance contingent) PSUs and (tenure contingent) RSUs as part of its long-term incentive plan. The intent of the SU plan is to align the participants in the SU Plan to the longer term strategic objectives of the Corporation. Strengthening the alignment of these participants' long term objectives with the Corporation's long term strategic objectives underscores the importance of achieving long term results as well as the essential need to meet quarterly and annual objectives.

With the introduction of the DSU Plan, the Corporation will gain flexibility in its ability to reward directors for their service on the Board. The intent of the DSU Plan is to allow directors to participate in the long-term success of the Corporation and promote a greater alignment of directors' interests with the interests of shareholders of the Corporation.

Approvals Required for the Adoption of the SU Plan and DSU Plan

Section 613 of the Manual provides that Board and majority security holder approval is required for the adoption of a security based compensation arrangement. In addition, insiders of the Corporation entitled to receive a benefit under the arrangement are not eligible to vote their securities in respect of the approvals required if the arrangement does not include the Insider Participation Limit. As such, in order to obtain the shareholder approval required by Section 613 of the Manual, votes attached to the 60,501 Common Shares held by insider participants who will be entitled to a benefit under the SU Plan or DSU Plan must be excluded from voting on the such amendments.

Shareholders, other than insiders that will be entitled to receive a benefit under the SU Plan or the DSU Plan, will be asked at the Meeting to consider and, if deemed advisable, to pass the following resolution relating to the adoption of the SU Plan and the DSU Plan:

"RESOLVED THAT:

1. based on the recommendation of the Board, the form, terms and provisions of, and the transactions contemplated by, the share unit plan ("**SU Plan**") and the deferred share unit plan ("**DSU Plan**"), substantially as described in the management information circular provided to shareholders in connection with the annual and special meeting of the Corporation on May 29, 2019, is hereby approved;

2. notwithstanding the approval of the shareholders of the Corporation as herein provided the Board of Directors of the Corporation, may, in its sole discretion, at any time revoke this resolution before it is acted upon, without further approval of the shareholders of the Corporation; and

3. any one director or officer of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation, to execute and deliver or file such documents and instruments and to do all such other acts and things as are required or as such director or officer, in such director's or officer's sole discretion, may deem necessary to give full effect to or carry out the provisions of the above resolution."

The Board recommends that the shareholders vote FOR the foregoing resolution confirming, approving and adopting the SU Plan and the DSU Plan.

Unless such authority is withheld, the persons named in the enclosed instrument of proxy intend to vote for the proposed amendments to the Option Plan.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officers

The Corporation had five Named Executive Officers in 2018, being:

(1) David McNally, President and Chief Executive Officer

(2) Stephen Randall, Chief Financial Officer and Secretary

(3) Perry Genova, Senior Vice President, Research and Development

(4) Curtis Jensen, Vice President, Quality and Regulatory Affairs, and

(5) Sachin Sankholkar, Vice President, Sales and Marketing

(collectively, the "**Named Executive Officers**" or "**NEO**").

Compensation Discussion and Analysis

The Board of Directors is responsible for evaluating compensation for the President and Chief Executive Officer and the Chief Financial Officer and reviewing their salaries and any bonuses on an annual basis. The President and Chief Executive Officer and Chief Financial Officer are responsible for evaluating and reviewing the salaries and bonuses of all other employees and consultants of the Corporation. While the Board of Directors of the Corporation has not adopted a written policy concerning the compensation of Named Executive Officers, it has developed a consistent approach and philosophy relating to compensation. The overriding principles in the determination of executive compensation are the need to provide total compensation packages that will attract and retain qualified and experienced executives, reward the executives for their contribution to the overall success of the Corporation and integrate the longer term interests of the executives with the investment objectives of the Corporation's shareholders.

As noted in the previous paragraph, the Corporation has five Named Executive Officers and places primary importance on the talent of these employees to manage and grow the Corporation. Based on the size of the Corporation and its relatively small number of employees, the Corporation's executives are required to be multi-disciplined, self-reliant and highly experienced. In determining specific compensation amounts for the executive officers, the Board of Directors considers factors such as experience, individual performance, length of service, role in achieving corporate objectives, positive research and development results, stock price and compensation compared to other employment opportunities for executives.

The Corporation is an early-stage company engaged in the development and commercialization of robotic surgical technologies. As the Corporation is in the product development stage, it cannot rely on revenues from its operations to finance its activities and advance its goals. Consequently, the Corporation looks to raising the requisite capital to finance such activities through equity financings, which are influenced by the financial market's assessment of the Corporation's overall enterprise value and its prospects. These in turn are influenced, to a great extent, by the results of its research and development activities and progress in commercializing robotic surgical technologies. The contribution that each of the President and Chief Executive Officer and the Chief Financial Officer make to this endeavour, on a subjective analysis by the Compensation Committee and the Board of Directors at the end of each fiscal year, is the primary factor in determining aggregate compensation. In considering such contribution, the Board of Directors considers various factors, including, among other things, (i) the ongoing and progressive development of the Corporation's robotic surgical technology; (ii) the identification and attainment of appropriate milestones that adequately reflect the ongoing development of the Corporation's robotic surgical technology, (iii) the formation and development of key partnerships with leading academic and research organizations through which the Corporation's products can be tested, and (iv) the recruitment, management and retention of qualified technical and other personnel, among other things.

Compensation for Named Executive Officers consists of base salary, cash bonuses and incentive stock options. In establishing compensation, the Corporation attempts to pay competitively in the aggregate as well as deliver an appropriate balance between annual compensation (base salary and cash bonuses) and option based compensation (incentive stock options).

The role of the Compensation Committee in recommending to the Board the compensation for Named Executive Officers is described under "*Compensation Committee*".

The decisions in respect of each individual compensation element are taken into account in determining each of the other compensation elements to ensure a Named Executive Officer's overall compensation is consistent with the objectives of the compensation program while considering that not all objectives are applicable to each Named Executive Officer.

In 2017, the Compensation Committee retained Hugessen Consulting Inc. ("**Hugessen**") to serve as the Committee's independent compensation consultant. Hugessen provides independent advice to the Compensation Committee with respect to executive and director compensation and relative governance matters. In 2018, Hugessen provided the following services to the Compensation Committee:

- Performed a high-level review of executive and director compensation levels and design;
- Provided input on the topics of equity compensation and peer group design; and
- Provided additional input and advice to the Compensation Committee, as requested.

The table below outlines fees paid to Hugessen in 2018 and 2017:

Hugessen Consulting Inc.	2018 Fees (C$)	2017 Fees (C$)
Executive Compensation Related Fees	$ 17,099	$ 50,602
All Other Fees	Nil	Nil
Total	$ 17,099	$ 50,602

The Compensation Committee did not follow a formal practice to consider the implications of the risks associated with the Corporation's compensation policies and practices in 2018.

The Corporation has established the Option Plan for officers, directors, employees and service providers of the Corporation, prepared in compliance with the requirements of the TSX, which is administered by the Board of Directors. The purpose of the Option Plan is to advance the interests of the Corporation by closely aligning the participants' personal interests with those of the Corporation's shareholders generally. Subject to the provisions of the Option Plan, the Board of Directors determines and designates from time to time the optionees to whom options are to be granted, the number of Common Shares to be optioned and the other terms and conditions of the stock option grant. The Board of Directors considers factors such as individual performance, the significance of individual contribution to the success of the Corporation, experience, and length of service in determining the amounts of options awarded.

If the SU Plan and DSU Plan are approved by shareholders at the Meeting, the Corporation will have additional flexibility to reward key employees for their service time and performance and directors of the Corporation for their service, while ensuring that the interests of such key employees and directors continue to be aligned with the interests of the Corporation's shareholders.

See the section titled "*Compensation Plans*" for further disclosure relating to the Option Plan, the SU Plan and the DSU Plan.

Compensation Committee

The awarding of annual bonus and option-based awards is subject to the discretion of the Compensation Committee and Board of Directors, exercised annually, as more fully described herein, and is at risk and not subject to any minimum amount. Furthermore, if the Compensation Committee determines that the compensation of the Corporation for certain executives and other personnel, including option-based awards, is low compared to comparable companies, the Compensation Committee may determine to grant option-based awards to assist the Corporation in retaining and attracting key executive talent and to further align the compensation of the executive officers and other key employees with long-term interests of shareholders. The Compensation Committee and the Board of Directors also have the discretion to adjust the weightings assigned to objectives for executives, including the President and Chief Executive Officer, and award a higher or lower annual incentive value to one or more executive officers than achievement of applicable corporate objectives might otherwise suggest, based on their assessment of the challenges and factors that might have impacted the ability to achieve the objective or attain the highest assessment ranking, or other factors such as rewarding individual performance or recognizing the ability (or inability) of the Corporation to achieve its goals and strategic objectives and create shareholder value. In exercising its discretion, the Compensation Committee and Board of Directors may also consider, among other factors, risk management and regulatory compliance, the performance of executive officers in managing risk and whether payment of the incentive compensation might present or give rise to material risks to the Corporation or otherwise affect the risks faced by the Corporation and the management of those risks.

In assessing the general competitiveness of the compensation of the Corporation's Named Executive Officers, the Compensation Committee considers base salary, total cash compensation and total direct compensation (including the value of long term incentives) relative to a comparator group of publicly listed companies and reviews benchmark data composed of the group's executive compensation data for matching positions. The peer group consists of the following comparable technology companies:

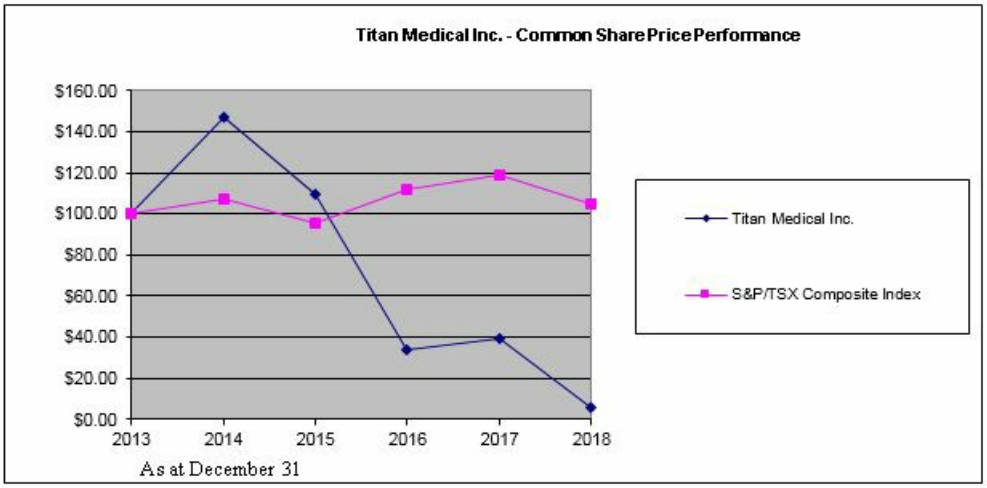
Compensation Peer Group

Corindus Vascular Robotics, Inc.	Bovie Medical Corporation
Neovasc Inc.	Profound Medical Corp.
Misonix, Inc.	Ekso Bionics Holdings, Inc.
IRadimed Corporation	MRI Interventions, Inc.
Microbot Medical Inc.	ReWalk Robotics Ltd.
BIOLASE, Inc.	Medigus Ltd.
TransEnterix, Inc.	

In addition to advice obtained from compensation consultants, the Compensation Committee undertakes its own assessment of the competitiveness of the Corporation's compensation and incentive programs, based on information obtained from such consultants and other information that may be available to the Compensation Committee. Decisions as to compensation are made by the Compensation Committee and the Board of Directors and may reflect factors and considerations other than the information and, if applicable, recommendations provided by compensation consultants.

Performance Graph

The Common Shares of the Corporation are listed on the TSX and as of June 27, 2018, the Nasdaq Capital Market ("**Nasdaq**"). The following graph illustrates the Corporation's cumulative shareholder return over the five most recently completed financial years, as measured by the closing price on the TSX of the Common Shares at the end of the financial years ended December 31, 2014, 2015, 2016, 2017 and 2018 assuming an initial investment of CDN$100 on December 31, 2013, compared to the closing price of the S&P/TSX Composite Index over the same period.



The following table shows the value of CDN$100 invested in Common Shares on December 31, 2013 compared to CDN$100 invested in the S&P/TSX Composite Index*:

	31-Dec-13	31-Dec-14	31-Dec-15	31-Dec-16	31-Dec-17	31-Dec-18
Titan Medical Inc.	100	147.37	109.47	33.68	39.47	5.93
S&P/TSX Composite Index	100	107.42	95.51	112.23	118.99	105.15

*All amounts in Canadian $.

After giving retroactive adjustment for the 1:30 consolidation of the Common Shares that occurred in June 2018.

The compensation paid by the Corporation to its Named Executive Officers in 2018 was not based in whole or in part on the trading price of the Common Shares in 2018 and does not compare to the trends in such trading price or the above market indices.

Summary Compensation Table

The following table and the notes thereto sets forth information concerning annual total compensation for each Named Executive Officer in 2018, in respect of the fiscal years ended December 31, 2018, 2017, and 2016. All amounts in the table below and the notes thereunder are stated in Titan's functional and presentation currency, which is U.S. dollars. Canadian employees are compensated in Canadian dollars. For reporting purposes, the Canadian dollar amount is translated to U.S. dollars using the noon exchange rate, as quoted by the Bank of Canada, on the payroll date.

Name and principal position	Year Ended Dec. 31	Salary (U.S.$)	Share-based Awards (U.S.$)	Option-based Awards(1) (U.S.$)	Non-equity Incentive Plan Compensation ($)		Pension Value (U.S.$)	All Other Compensation(2) (U.S.$)	Total Compensation (U.S.$)
					Annual Incentive Plans	Long-term Incentive Plans			
David McNally President & CEO	**2018**	330,000	0	409,334	0	0	0	150,000	889,334
	2017	300,000	0	2,027,215	0	0	0	0	2,327,215
	2016	0	0	0	0	0	0	0	0
Stephen Randall Chief Financial Officer	**2018**	199,646	0	270,340	0	0	0	95,070	565,056
	2017	187,038	0	0	0	0	0	0	187,038
	2016	152,716	0	115,920	0	0	0	0	268,636

Perry Genova Senior Vice President Research and Development	**2018**	250,000	0	310,099	0	0	0	112,500	672,599
	2017	206,250	0	251,735	0	0	0	0	457,985
	2016	0	0	0	0	0	0	0	0
Curtis Jensen Vice President Quality and Regulatory Affairs	**2018**	210,000	0	260,482	0	0	0	50,000	520,482
	2017	150,000	0	245,111	0	0	0	0	395,111
	2016	0	0	0	0	0	0	0	0
Sachin Sankholkar Vice President Sales and Marketing	**2018**	180,000	0	223,274	0	0	0	37,500	440,774
	2017	150,000	0	0	0	0	0	0	150,000
	2016	126,200	0	176,289	0	0	0	0	302,489

Notes:

1. The fair value of options granted was estimated at the date of grant using the Black-Scholes option pricing model using assumptions based on expected life, risk free rate, expected dividend yield and expected volatility.
2. Represents cash bonus paid in the year.

Outstanding share-based awards and option-based awards

The following table shows all awards granted to Named Executive Officers and outstanding on December 31, 2018. The exercise prices of options are presented in Canadian currency as they are exercisable in Canadian dollars.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option Exercise Price CDN($)	Option Expiration Date (DD-M-YY)	Value of unexercised in-the-money options (U.S.$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (U.S.$)	Market or payout value of vested share-based awards not paid out or distributed (U.S.$)
David McNally	277,519	17.10	17-Jan-24	0	0		0
	55,018	15.00	19-01-25				
Stephen Randall							
	2,328	58.20	21-May-19				
	3,313	51.60	09-Jun-20	0	0	0	0
	1,319	30.60	23-Dec-20	0	0	0	0
	17,589	30.00	24-Aug-21	0	0	0	0
	36,336	15.00	19-Jan-25	0	0	0	0
Perry Genova	16,667	15.00	7-Feb-24	0	0	0	0
	33,333	12.90	17-Apr-24	0	0	0	0
	41,680	15.00	19-Jan-25				
Curtis Jensen	16,667	12.90	17-Apr-24	0	0	0	0
	18,950	14.40	8-Nov-24	0	0	0	0
	35,011	15.00	19-Jan-25				
Sachin Sankholkar	9,000	32.40	27-Jan-21	0	0	0	0
	11,726	30.00	24-Aug-21	0	0	0	0
	30,010	15.00	19-Jan-25				

The following table shows the value from incentive plans vested or earned by Named Executive Officers under the Corporation's incentive plans and the annual incentive bonus payout during the financial year ended December 31, 2018.

Name	Option-based awards – Value vested during the year (U.S.$)	Share-based awards – Value vested during the year (U.S.$)	Non-equity incentive plan compensation – Value earned during the year (U.S.$)
David McNally	0	0	150,000
Stephen Randall	0	0	95,070
Perry Genova	0	0	112,500
Curtis Jensen	0	0	50,000
Sachin Sankholkar	0	0	37,500

Option Plan and Options

See "*Compensation Plans*" for information on the Option Plan.

Securities Authorized for Issuance Under Equity Compensation Plan

The following table sets forth certain information as of December 31, 2018 with respect to compensation plans under which equity securities of the Corporation are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted–average exercise price of outstanding options, warrants and rights	Number of securities remaining for future issuance under equity compensation plan
Equity compensation plan approved by securityholders	925,782	CDN$17.32	1,241,803

Termination and Change of Control Benefits

No Named Executive Officer is entitled to any form of compensation as a result of termination or change of control of the Corporation.

Indebtedness of Directors and Executive Officers

No director or executive officer of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of them is or was indebted to the Corporation at any time since the beginning of the last completed financial year of the Corporation.

Compensation of Directors

The annual retainer for directors for the year ended December 31, 2018 was CDN $30,000, meeting fees for Board and Committee Chairs was CDN $3,200 and US $2,500 and meeting fees for other directors was CDN $1,300 and US $1,000.

The Board of Directors determines the form of payment of the compensation paid to directors. All compensation to directors is paid through the issuance of stock options, or cash, at the discretion of the directors, on an annual basis. Currently all directors compensation is paid through a combination of cash and stock options. The table below reflects in detail the compensation earned by non-employee directors in the 12-month period ended December 31, 2018.

Name	Fees Earned (CDN$)	Share-based Awards (CDN$)	Option-based Awards (CDN$)	Non-equity Incentive Plan Compensation (CDN$)	Pension Value (CDN$)	All Other Compensation (CDN$)	Total (CDN$)
Martin C. Bernholtz(1)	66,517	0	0	0	0	0	66,517
John E. Barker	15,600	0	60,466	0	0	0	76,066
Dr. Bruce G. Wolff	53,119	0	30,000	0	0	0	83,119
John Schellhorn	72,796	0	0	0	0	0	72,796
Domenic Serafino(2)	45,600	0	30,000	0	0	0	75,600

Notes:

1. Martin Bernholtz resigned as Chairman and director effective March 15, 2018.
2. Domenic Serafino was elected as a director effective June 28, 2018.

Directors' and Officers' Insurance

The Corporation maintains insurance for the benefit of the Corporation and its directors and officers as a group, in respect of the performance by them of duties of their office. Effective June 2018 the Corporation became dual listed on both the TSX and Nasdaq. The amount of insurance purchased for the period commencing January 1, 2018 and ended December 31, 2018 was for an aggregate limit of liability (inclusive of costs of defence) of CAD$7,000,000 for claims associated with the period prior to June 27, 2018 and US $10,000,000 for claims which may arise following the listing of the Corporation's Common Shares on the Nasdaq. There is a deductible amount on a per loss basis of up to US$250,000 for a claim against the Corporation. The premium is paid by the Corporation without distinction as to directors as a group or officers as a group. The premium paid for such insurance in 2018 for coverage both prior to and post listing on the Nasdaq was US$210,250.

Outstanding share-based awards and option-based awards

The following table shows all option-based and share-based awards granted to non-employee directors and outstanding on December 31, 2018.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option Exercise Price per share CDN($)	Option Expiration Date (DD-M-YY)	Value of unexercised in-the-money options USD($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Martin C. Bernholtz[1]	722	58.20	21-May-19	0	0	0	0
	1,044	51.60	09-Jun-20	0	0	0	0
	415	30.60	23-Dec-20	0	0	0	0
	5,570	30.00	24-Aug-21	0	0	0	0
John E. Barker	760	58.20	21-May-19	0	0	0	0
	1,044	51.60	09-Jun-20	0	0	0	0
	415	30.60	23-Dec-20	0	0	0	0
	5,687	30.00	24-Aug-21	0	0	0	0
	7,674	9.00	06-Jul-25	0	0	0	0
	21,053	3.28	29-Aug-25	0	0	0	0
Dr. Bruce G. Wolff	1,055	58.20	21-May-19	0	0	0	0
	828	51.60	09-Jun-20	0	0	0	0
	330	30.60	23-Dec-20	0	0	0	0
	5,277	30.00	24-Aug-21	0	0	0	0
	3,807	9.00	06-Jul-25	0	0	0	0
	10,445	3.28	29-Aug-25	0	0	0	0
John Schellhorn	12,269	4.41	7-Sept-24	0	0	0	0
Domenic Serafino[2]	5,590	7.49	06-Jul-25	0	0	0	0

Notes:
1.Martin Bernholtz resigned as Chairman and director effective March 15, 2018.
2.Domenic Serafino was elected as a director effective June 28, 2018.

Incentive Plan Awards – Value Vested or Earned During Fiscal Year and December 31, 2018

The following table shows the value from incentive plans vested or earned by non-employee directors under the Corporation's incentive plans and the annual incentive bonus payout during the financial year ended December 31, 2018.

Name	Option-based awards – Value vested during the year (U.S.$)	Share-based awards – Value vested during the year (U.S.$)	Non-equity incentive plan compensation – Value earned during the year (U.S.$)
John Barker	0	0	0
John Schellhorn	0	0	0
Domenic Serafino	0	0	0
Dr. Bruce G. Wolff	0	0	0

CORPORATE GOVERNANCE PRACTICES

The Canadian Securities Administrators have adopted National Instrument 58-101 – Disclosure of Corporate Governance Practices (the "**Disclosure Rule**"). The Disclosure Rule establishes disclosure requirements regarding corporate governance practices of a reporting issuer as well as the requirement to file any written code of business conduct and ethics that a reporting issuer has adopted. Set out below is a description of the Corporation's approach to corporate governance as required by the Disclosure Rule.

Board of Directors

Currently, four of the six members of the Board of Directors are independent directors. An independent director is defined as a director who has no direct or indirect material relationship with the Corporation, being a relationship which could be reasonably expected to interfere with the exercise of a director's independent judgement. As at December 31, 2018, Messrs. McNally and Randall are considered to be non-independent by virtue of their management position with the Corporation and their employment relationships with the Corporation. The Board believes that their extensive knowledge of the Corporation's business and affairs is beneficial to the other directors and their participation as directors contributes to the effectiveness of the Board. Of the current directors, Messrs. John E. Barker, John Schellhorn and Domenic Serafino are considered to be independent directors and, should he be elected to the Board at the Meeting, Charles Federico will also be considered to be an independent director. These determinations were made by the Board based upon an examination of the factual circumstances of each director and consideration of any interests, business or relationships, which any director may have with the Corporation.

As part of each regularly scheduled quarterly board meeting, the independent directors have an in camera session, exclusive of non-independent directors and management. At the present time, the Board believes that the knowledge, experience and qualifications of its independent directors are sufficient to ensure that the Board can function independently of management and discharge its responsibilities.

The Chairman of the Board of Directors, John E. Barker, is an independent director. The Corporation does not have a designated lead director. The Board utilizes its own in-house expertise, and that of its legal counsel, to provide advice and consultation on current and anticipated matters of corporate governance.

Director Meetings

The Board of Directors held 18 meetings during the financial year ended December 31, 2018. The following table summarizes the attendance record for each of the directors at meetings of the Board of Directors, Audit Committee, Compensation Committee and the Corporate Governance and Nominating Committee.

Name	Number of Meetings Attended by the Directors			
	Board of Directors	Audit Committee	Compensation Committee	Governance and Nominating Committee
John E. Barker	18/18	5/5	3/3	2/2
David McNally	18/18	N/A	N/A	N/A
Stephen Randall	18/18	N/A	N/A	N/A
Dr. Bruce G. Wolff	15/18	5/5	3/3	2/2
John Schellhorn	18/18	5/5	3/3	2/2
Domenic Serafino	7/8	3/3	1/1	1/1

Other Reporting Issuer Experience

None of the directors of the Corporation are directors of other reporting issuers (other than the Corporation) as of the date of this Circular:

Board Mandate

The Board of Directors is responsible for the overall stewardship of the Corporation and operates pursuant to a written mandate, which was updated and approved by the Board in March 2018 and as set out in Schedule "A" to this management information circular.

Position Descriptions

The Board has developed written position descriptions for the Chair of the Board of Directors and the chair of each committee. With respect to management's responsibilities, generally, any matters of material substance to the Corporation are submitted to the Board for, and are subject to, its approval. Such matters include those matters which must by law be approved by the Board (such as share issuances) and other matters of material significance to the Corporation, including any debt or equity financings, investments, acquisitions and divestitures, and the incurring of material expenditures or legal commitments. The Board and/or its audit committee also reviews and approves the Corporation's major communications with shareholders and the public including the annual report, if any, (and financial statements contained therein), quarterly reports to shareholders, the annual management information circular and the annual information form. The specific corporate objectives which the chief executive officer is responsible for meeting (aside from the overall objective of enhancing shareholder value) are, in the Corporation's case, typically related to the advancement, growth, management and financing of the Corporation and its research and development project and matters ancillary thereto.

Orientation and Continuing Education

The Corporation does not provide a formal orientation or education program for Board members, as it believes that such programs are not appropriate for a development stage company with an experienced Board, the members of which have been selected for their specific expertise.

The Corporation's directors are highly experienced and knowledgeable, both individually and as a group. The directors have either a medical or business background and have long careers in or related to the medical, health or financial industry and are intimately familiar with the Corporation's project, through sufficient interactions with management and technology developers.

To ensure that the Board has and maintains the skill and knowledge necessary for them to meet their obligations as directors of the Corporation. Summary technology presentations by management relating to various aspects of the Corporation's products is made at meetings of the Board. The Board believes that discussion among the directors and management at these meetings provides a valuable learning resource for the directors with non-technical expertise in the subject matter presented, and that those directors provide management with valuable insights into broader issues facing the Corporation.

Ethical Business Conduct

The Corporation is committed to maintaining high standards of corporate governance and this philosophy is communicated by the Board to management, and by management to employees, on a regular basis.

In order to ensure that the directors exercise independent judgment in considering transactions and agreements, the Board requires that all directors declare any conflicts of interest with issues or situations as they arise. This would include transactions/agreements in which a director/officer has material interest.

Nomination of Directors

The Corporate Governance and Nominating Committee is a standing committee appointed by the Board and it is responsible for overseeing and assessing the functioning of the Board and the committees of the Board and for the development, recommendation to the Board, implementation and assessment of effective corporate governance principles. The Committee's responsibilities also include identifying candidates for directorship and recommending that the Board select qualified director candidates for election at the next annual meeting of shareholders.

The Corporate Governance and Nominating Committee is composed entirely of independent directors, currently being John E. Barker, Domenic Serafino and John Schellhorn. Charles Federico will also join the Corporate Governance and Nominating Committee should he be elected to the Board at the Meeting.

Audit Committee

The Board of Directors has established an Audit Committee. The Audit Committee met five times during the financial year ended December 31, 2018.

Audit Committee Charter

The text of the Audit Committee Charter is attached as Schedule "A" to the Corporation's Annual Information Form for the year ended December 31, 2018, a copy of which is available on SEDAR.

Composition of the Audit Committee

As of the date of this information circular, the table below sets out the members of the Audit Committee and states whether they are financially literate and/or independent.

Director	Independent	Financially Literate
John E. Barker	Yes	Yes
Domenic Serafino	Yes	Yes
John Schellhorn	Yes	Yes

Relevant Education and Experience

Messrs. Barker**,** Serafino, Schellhorn are the current directors on the Corporation's Audit Committee and have been senior officers and/or directors of publicly traded companies and business executives for a number of years. In addition, Mr. Federico, who also has significant experience as a senior officer and director of other public and privately held issuers, will join the Audit Committee should he be elected to the Board at the Meeting. In these positions, each individual has been responsible for receiving financial information relating to the entities of which they were directors or senior officers. They had or have developed an understanding of financial statements generally and understand how those statements are used to assess the financial position of a company and its operating results. Each member of the Audit Committee also has a significant understanding of the business in which the Corporation is engaged and has an appreciation for the relevant accounting principles for the Corporation's business.

External Auditor Service Fees

The table below sets out all fees billed by the Corporation's external auditor in respect of the last two financial years. The Audit Committee has adopted procedures for the engagement of non-audit services as described in section 3 of its charter under "Duties and Responsibilities".

Financial Year Ended	Audit Fees(1)	Audit-Related Fees(2)	Tax Fees(3)	All Other Fees(4)
December 31, 2018	56,085	31,534	-	139,109
December 31, 2017	$ 47,695	$ 22,430	-	$ 126,941

Notes:

(1) "Audit Fees" are fees billed by the Corporation's external auditor for services provided in auditing the Corporation's financial statements for the financial year.

(2) "Audit-Related Fees" are fees not included in Audit Fees that are billed by the auditor for assurance and related services that are reasonably related to performing the audit or reviewing the Corporation's interim financial statements.

(3) "Tax Fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning.

(4) "All Other Fees" were paid for audit related services including regulatory filings and comfort letters in connection with prospectus offerings completed during the calendar year.

Compensation and Compensation Committee

Compensation matters are dealt with by the Compensation Committee of the Corporation. The function of the Compensation Committee is to review the compensation terms of each officer of the Corporation annually as well as at any other times as necessary. After considering inputs from senior management, the Compensation Committee makes a recommendation to the Board for approved compensation terms for each officer of the Corporation. Among other things, the Compensation Committee also recommends the structure of the compensation in terms of the amount of cash and/or number of options to be granted. The members of the Compensation Committee have several years of relevant experience, having served as senior business executives with other companies and as members of compensation committees of other companies.

All four current members of the Compensation Committee, namely, Messrs. Barker, Schellhorn and Serafino are considered to be independent directors. Mr. Federico, who will also be considered to be an independent director, will join the Compensation Committee should he be elected to the Board at the Meeting. The Compensation Committee met three times during the financial year ended December 31, 2018.

Other Board Committees

The Board has no standing committee other than the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee.

Assessments

The Board, its committees and individual directors are not regularly assessed with respect to their effectiveness and contribution, as the Board believes that such assessments are generally more appropriate for corporations of significantly larger size and complexity than the Corporation and which may have significantly larger boards of directors. A more formal assessment process will be instituted as, if, and when the Board deems necessary.

Director Tenure

It is proposed that each of the persons elected as a director at the Meeting will serve until the close of the next annual meeting of the Corporation or until his or her successor is elected or appointed. The Board has not adopted a term limit for directors. The Board believes, at this time, that the imposition of director term limits on a board may discount the value of experience and continuity amongst board members and runs the risk of excluding experienced and potentially valuable board members. This decision is subject to review on an annual basis. The Board does not follow a formal director assessment procedure in evaluating Board members. However, the Board believes that it can best strike the right balance between continuity and fresh perspectives without mandated term limits.

Representation of Women on the Board and in Executive Officer Positions

The Corporate Governance and Nominating Committee's Charter encourages diversity in the composition of the Board of Directors and requires periodic review of the composition of the Board of Directors as a whole to recommend, if necessary, measures to be taken so that the Board of Directors reflects the appropriate balance of diversity, knowledge, experience, skills and expertise required for the Board of Directors as a whole. Accordingly, while the Board of Directors has not adopted a written policy nor targets relating to the identification and nomination of women directors, the Board of Directors does take into consideration a nominee's potential to contribute to diversity within the Board of Directors. Given that diversity is part of determining the overall balance, which includes gender, the Board of Directors has not adopted a gender specific policy target.

The Corporate Governance and Nominating Committee recognizes the value of diversity. Currently, the Board of Directors is comprised of male directors. The Board of Directors does not follow a formal process for proposing female nominees for Board of Director vacancies. Rather the Board of Directors focuses on the qualification and professional or business experience of each individual nominee.

Consistent with the Corporation's approach to diversity at the Board of Director level, the Corporation's hiring practices include consideration of diversity across a number of areas, including gender. None of the current executive officer positions of the Corporation are held by women. The Corporation does not have a target number of women executive officers. Given the small size of its executive team, the Corporation believes that implementing targets would not be appropriate. However, in its hiring practices, the Corporation considers the level of representation of women in executive officer positions.

APPOINTMENT AND REMUNERATION OF AUDITORS

Unless such authority is withheld, the persons named in the enclosed instrument of proxy intend to vote for the re-appointment of BDO Canada LLP of Toronto, Ontario, as auditors of the Corporation to hold office until the next annual meeting of shareholders and to authorize the directors to fix their remuneration. BDO Canada LLP were first appointed auditors of the Corporation on December 13, 2010.

COMPENSATION PLANS

Option Plan

The Option Plan is attached hereto as Schedule "B" and the following summary is qualified in its entirety by the Option Plan.

Prior Approval of the Option Plan

The Option Plan was last approved at the 2018 annual and special meeting of Shareholders on June 14, 2018.

Terms of the Plan

Directors, officers and employees of the Corporation, as well as persons or companies engaged by the Corporation to provide services on a continuous basis for an initial, renewable or extended period of twelve months or more (and may include persons or companies such as consulting researchers, doctors and other consultants), are eligible to be granted options under the Option Plan even if they are not full time employees of the Corporation. The purpose of the Option Plan is to advance the interests of the Corporation by closely aligning the participants' personal interests with those of the Corporation's shareholders generally.

Options granted under the Option Plan are granted at the discretion of the Board of Directors and are typically granted in such numbers as reflect the level of responsibility and participation of the particular optionee as determined over the course of the year. The terms of the Option Plan provide that the aggregate number of Common Shares issuable thereunder (and under any other employee stock option plans or other share compensation arrangements) cannot, at the time of the option grant, exceed 10% (or 15% if the Option Plan amendments are approved by shareholders) of the total number of Common Shares issued and outstanding. If the amendments to the Option Plan are approved by shareholders at the Meeting, the aggregate number of Common Shares issued to insiders, within any one year period, and issuable to insiders, at any time, under the Option Plan and any other security-based compensation arrangement of the Corporation will be increased from 10% of the total number of Common Shares issued and outstanding to 15% of the total number of Common Shares issued and outstanding.

The aggregate number of Common Shares that may be reserved for issuance to any one participant under the Option Plan or under any other plan of the corporation may not exceed 5% of the total number of Common Shares issued and outstanding (calculated on a non-diluted basis) in any 12-month period.

The price at which Common Shares may be issued upon exercise of options granted under the Option Plan cannot be lower than the volume weighted average trading price of the Common Shares on the TSX over the period of five days immediately preceding the date of the grant. Options issued under the Option Plan may be exercised during a period determined by the Board, which shall not exceed ten years. In addition, notwithstanding the expiration date applicable to any Option, if an Option would otherwise expire during or immediately after a Blackout Period (as defined in the Option Plan), then the expiration date of such Option shall be the 10th business day following the expiration of the Blackout Period, provided that in no event shall the period during which said Option is exercisable be extended beyond 10 years from the date such option is granted to the optionee. Options granted under the Option Plan are subject to immediate termination upon the dismissal of an employee with cause. If an optionee ceases to hold any position as an optionee, by reason of retirement, resignation, or termination other than for cause, the vested Options terminate on the earlier of the normal expiry date of the Option or 90 days from cessation or such longer period following cessation as the Board of Directors shall determine[1], provided that in no case may an Option expire any later than the normal expiry date. Under the Option Plan, in the event of death or disability of the optionee, his or her Options may be exercised during the one year period following the date of the event to the extent the Options were exercisable on the date of such event. The Options vest over a period determined by the Board of Directors. The Options are non-transferable and non-assignable unless permitted by the Board or unless such transfers are to Eligible Assignees (as defined in the plan). There is no agreement under which financial assistance will be provided by the Corporation to facilitate the purchase of shares under the Option Plan.

The Board has the discretion to make amendments to the Option Plan and any Options granted thereunder which it may deem necessary, without having to obtain shareholder approval. Such changes include, without limitation:

(a) Minor changes of a "housekeeping nature";

(b) Amending the Options under the Option Plan, including with respect to the option period (provided that the period during which an Option is exercisable does not exceed ten years from the date the Option is granted and that such Option is not held by an insider), vesting period, exercise method and frequency, subscription price (provided that such option is not held by an insider), and method of determining the subscription price, assignability and effect of termination of an optionee's employment or cessation of the optionee's directorship;

(c) Changing the class of optionees eligible to participate under the Option Plan;

(d) accelerating vesting or extending the expiration date of any Option (provided that such option is not held by an insider), and where such option is held by an insider in such case, shareholder approval shall be obtained in connection with the extension;

(e) changing the terms and conditions of any financial assistance which may be provided by the Corporation to optionees to facilitate the purchase of common shares under the Option Plan; and

(f) adding a cashless exercise feature, payable in cash or securities, which provides for a full deduction of the number of underlying common shares from the Option Plan reserve.

[1] The Option Plan was amended to provide discretion to the Board to extend the termination period following cessation of employment other than for cause in fiscal 2018. The amended and restated Option Plan, including the aforementioned amendment, was approved by the Board on March 14, 2018 and by the shareholders of the Corporation at the Corporation's annual and special meeting held on June 14, 2018.

Shareholder approval will be required in the case of: (i) any amendment to the amendment provisions of the Option Plan; (ii) any increase in the maximum number of Common Shares issuable under the Option Plan; and (iii) any reduction in the exercise price or extension of the option period benefiting an insider, in addition to such other matters that may require shareholder approval under the rules and policies of the TSX.

The Option Plan permits the Board of Directors to suspend or terminate the Option Plan, as well as to amend or revise the terms of the Option Plan, subject to any applicable regulatory approval, provided that no such amendment or revisions shall alter the terms of any Options theretofore granted under the Option Plan.

Outstanding Stock Options Available for Issuance

The following table summarizes, as of April 18, 2019, the number of stock options that have been exercised under the Stock Option Plan since its inception, the number of stock options outstanding as of April 18, 2019, and the number of stock options remaining available for grant as of April 18, 2019, all assuming the amendments to the Option Plan set out under the heading "*Amendment to the Option Plan*" are approved by shareholders at the Meeting.

Stock Options	Number	Percentage of Currently Outstanding Common Shares
Options exercised, expired or cancelled since inception	254,581	1%
Options outstanding	965,782	3%
Awards available for grant under the Compensation Plans	3,706,754	12%

The following table summarizes the burn rate (being the number of Options granted under the Option Plan during the applicable fiscal year divided by the weighted average number of Common Shares outstanding for the applicable fiscal year) in respect of the Option Plan for the past three years:

Fiscal Year	Burn Rate
2018	2%
2017	5%
2016	3%

SU PLAN

The purpose of the SU Plan is to encourage selected eligible employees of the Corporation and its affiliates to acquire a proprietary interest in the growth and performance of the Corporation, generate an increased incentive to contribute to the Corporation's future success and prosperity and align the interests of such eligible employees with the Corporation's long-term strategy and with the interests of the Corporation's shareholders. The SU Plan is attached hereto as Schedule "C" and the following summary is qualified in its entirety by the SU Plan.

Terms of the SU Plan

Regular full-time or part-time employees of the Corporation or of an Affiliate of the Corporation are entitled to participate in the SU Plan.

Assuming the shareholders approve the proposed amendments to the Option Plan set out under the heading "*Amendment to the Option Plan*", the maximum aggregate number of Common Shares that are reserved for issuance under the Compensation Plans will be equal to 15% of the issued and outstanding Common Shares, from time to time. In addition, the Common Shares and other securities reserved for issuance to insiders of the Corporation under the Compensation Plans, and any other share compensation arrangements of the Corporation, shall not exceed 15% of the issued and outstanding securities of the Corporation and the number of Common Shares and other securities issued to insiders of the Corporation within any one year period under the Compensation Plans and any other share compensation arrangements of the Corporation, shall not exceed 15% of the issued and outstanding securities of the Corporation. Finally, the number of Common Shares or other securities of the Corporation that may be issued under the Compensation Plans, and any other share compensation arrangements of the Corporation, to any single participant and his, her or its associates within any one year period may not exceed 5% of the issued and outstanding securities of the Corporation and the number of Common Shares or other securities of the Corporation that may be reserved for issuance under the Compensation Plans, and any other share compensation arrangements of the Corporation, to any single participant and his, her or its associates may not exceed 5% of the issued and outstanding securities of the Corporation.

All of the vested RSUs and PSUs covered by a particular award grant under the SU Plan will be settled on the first business day following the vesting date for a value per unit based on either the fair market value of a Common Share on the day prior to the vesting date or an average fair market value of a Common Share over a specified number of days prior to the vesting date. Unless otherwise stated in a particular award agreement entered into pursuant to the SU Plan, RSUs and PSUs shall vest on the third anniversary of their grant date. Subject to the terms of the SU Plan and of any applicable award agreement entered into pursuant to the SU Plan, payments or transfers to be made by the Corporation or an affiliate upon the settlement of an award may be made in such form or forms as the Compensation Committee shall determine, including, without limitation, cash, Common Shares purchased on the open market, Common Shares issued from treasury, other securities or other awards, or any combination thereof, and may be made in a single payment or transfer.

In the event that a participant in the SU Plan voluntarily resigns from the Corporation or has their employment terminated for cause, all RSUs or PSUs shall be cancelled effective at the commencement of the date the former participant's employment ceases and no distributions shall be made to such former participant under the SU Plan. In the event that a participant in the SU Plan has their employment with the Corporation terminated without cause, dies, retires or is disabled, the number of RSUs or PSUs granted to such participant that is proportionate to the portion of the vesting period of such RSUs or PSUs during which the participant was employed by the Corporation shall vest on their vesting date. In the event that a participant under the SU Plan is terminated following a change of control of the Corporation, any RSUs or PSUs granted to such participant shall vest on the date of the change of control.

RSUs and PSUs granted under the SU Plan are not transferrable or assignable by the grantee, other than through the laws of descent and distribution, although participants may be permitted by the Compensation Committee to designate a beneficiary to exercise the rights of the participant if they were to die. The Compensation Committee may amend, alter, suspend, discontinue or terminate the SU Plan in whole or in part without shareholder approval, provided however, that at any time while the Common Shares are listed for trading on the TSX, the Compensation Committee will not be entitled to amend the Share Unit Plan or any Share Unit granted under it (together with any related Share Unit agreement) without shareholder approval, and if applicable, TSX approval: (i) to increase the maximum number of Common Shares issuable pursuant to the SU Plan; (ii) to permit the assignment or transfer of a Share Unit other than as provided for in the SU Plan; (iii) to add to the categories of persons eligible to participate in the SU Plan; (iv) to remove or amend certain sections of the SU Plan, including the section that governs amendments to the SU Plan; or (vi) in any other circumstances where TSX and shareholder approval is required by the TSX.

The Compensation Committee may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue or terminate any RSUs or PSUs granted, prospectively or retroactively, provided however that no such change shall be made without the consent of the affected participant if the rights of such participant with respect to the RSUs or PSUs would be impaired.

Awards Available for Issuance under the SU Plan

The following table summarizes, as of April 18, 2019, the number of awards outstanding under the Compensation Plans as of April 18, 2019, and the number of awards remaining available for grant under the Compensation Plans as of April 18, 2019, all assuming the amendments to the Option Plan set out under the heading "*Amendment to the Option Plan*" are approved by shareholders at the Meeting and the SU Plan and DSU Plan are adopted by shareholders at the Meeting.

Awards	Number	Percentage of Currently Outstanding Common Shares
Options outstanding	965,782	3%
Awards outstanding under the SU Plan	0	0
Awards outstanding under the DSU Plan	0	0
Awards available for grant under the Compensation Plans	3,706,754	12%

DSU Plan

The purpose of the DSU Plan is to provide directors of the Corporation with the opportunity to acquire DSUs in order to allow them to participate in the long-term success of the Corporation and to promote a greater alignment of their interests with the interests of the Corporation's shareholders.

Terms of the DSU Plan

Any director of the Corporation is eligible to participate in the DSU Plan. The DSU Plan is attached hereto as Schedule "D" and the following summary is qualified in its entirety by the DSU Plan.

Assuming the shareholders approve the proposed amendments to the Option Plan set out under the heading "*Amendment to the Option Plan*", the maximum aggregate number of Common Shares that are reserved for issuance under the Compensation Plans will be equal to 15% of the issued and outstanding Common Shares, from time to time. The maximum number of Common Shares issuable pursuant to outstanding DSUs at any time shall be limited to 5% of the issued and outstanding Common Shares. In addition, the Common Shares and other securities reserved for issuance to insiders of the Corporation under the Compensation Plans, and any other share compensation arrangements of the Corporation, shall not exceed 15% of the issued and outstanding securities of the Corporation and the number of Common Shares and other securities issued to insiders of the Corporation within any one year period under the Compensation Plans and any other share compensation arrangements of the Corporation, shall not exceed 15% of the issued and outstanding securities of the Corporation. The DSU Plan does not limit grants to an individual director either under the DSU Plan generally or during any one year period. Upon the cancelation, expiry or settlement of DSUs, Common Shares reserved for issuance thereunder shall be available for subsequent grants of DSUs pursuant to the DSU Plan.

DSUs will be fully vested upon being granted and credited to a participant's account. Participants in the DSU Plan shall either (i) receive a payment in cash equal in value to the number of DSUs recorded in the Participant's Account on the Distribution Date multiplied by the fair market value of a Common Share of the Corporation on the distribution date or (ii) receive that number of Common Shares of the Corporation that is equal to the number of DSUs in the participant's account on the distribution date or (iii) a combination of cash and Common Shares (in accordance with the DSU Plan). The distribution date in respect of a participant in the DSU Plan shall be the earliest date on which the participant is no longer a member of the Board and is not otherwise employed by the Corporation or any of its subsidiaries, or such later date that the participant in the DSU Plan may elect. In the event that a participant dies while they are a member of the Board, the participant's estate will receive either Common Shares or a cash payment or a combination thereof (as described in the DSU Plan) on or about 30 days following the date the Corporation is provided with notice of the death.

DSUs granted under the DSU Plan may not be assigned, transferred sold, pledged or charged by the participant under the Plan. The Board may amend, suspend or discontinue the DSU Plan or amend any DSU or DSU agreement at any time without the consent of a participant, provided that such amendment shall not adversely alter or impair the rights of any participant in respect of any DSU previously granted to such participant under the DSU Plan, except as otherwise permitted under the DSU Plan. In addition, the Board may, by resolution, amend the DSU Plan and any DSU granted under it (together with any related DSU agreement) without shareholder approval, provided however, that at any time while the Common Shares are listed for trading on the TSX, the Board will not be entitled to amend the DSU Plan or any DSU granted under it (together with any related DSU agreement) without shareholder approval and, if applicable, TSX approval: (i) to increase the maximum number of Common Shares issuable pursuant to the DSU Plan; (ii) to permit the assignment or transfer of a DSU other than as provided for in the DSU Plan; (iii) to add to the categories of persons eligible to participate in the DSU Plan; (iv) to remove or amend certain sections of the DSU Plan, including the section that governs amendments to the DSU Plan; or (vi) in any other circumstances where TSX and shareholder approval is required by the TSX. If the Board terminates or suspends the DSU Plan, previously credited DSUs will remain outstanding and in effect in accordance with the terms of the DSU Plan.

Awards Available for Issuance under the DSU Plan

The following table summarizes, as of April 18, 2019, the number of awards outstanding under the Compensation Plans as of April 18, 2019, and the number of awards remaining available for grant under the Compensation Plans as of April 18, 2019, all assuming the amendments to the Option Plan set out under the heading "*Amendment to the Option Plan*" are approved by shareholders at the Meeting and the SU Plan and DSU Plan are adopted by shareholders at the Meeting.

Awards	Number	Percentage of Currently Outstanding Common Shares
Options outstanding	965,782	3%
Awards outstanding under the SU Plan	0	0
Awards outstanding under the DSU Plan	0	0
Awards available for grant under the Compensation Plans	3,706,754	12%

OTHER ITEMS OF BUSINESS

Management is not aware of any other matters which are to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any matters other than those referred to herein should be presented at the Meeting, the persons named in the enclosed proxy are authorized to vote the shares represented by the proxy in accordance with their best judgement.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Other than as disclosed elsewhere in this Circular, no director or executive officer of the Corporation, nor any associate or affiliate of any one of them, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

ADDITIONAL INFORMATION

Financial information for the Corporation is provided in the Corporation's comparative annual financial statements and management's discussion and analysis for the most recently completed financial year. This information and additional information relating to the Corporation can be found on the SEDAR website at www.sedar.com and on the Corporation's website at *www.titanmedicalinc.com.* Copies of the above and other disclosure documents of the Corporation may also be obtained from the Secretary of the Corporation upon request.

DIRECTORS' APPROVAL

The contents and the distribution of this Circular have been approved by the Board of Directors.

DATED the 29th day of April, 2019.

(signed) David J. McNally

President and Chief Executive Officer
Titan Medical Inc.

SCHEDULE "A"

BOARD OF DIRECTORS MANDATE

Introduction

The board of directors (the "**Board**") of Titan Medical Inc. (the "**Company**") is elected by the shareholders of the Company and is responsible for the stewardship of the Company. The purpose of this mandate is to describe the principal duties and responsibilities of the Board, as well as some of the policies and procedures that apply to the Board in discharging its duties and responsibilities.

Chair of the Board of Directors

The Chair of the Board (the "**Chair**") will be appointed by the Board, after considering the recommendation of the Company's Corporate Governance and Nomination Committee, for such term as the Board may determine.

Independence

The Board will be comprised of a majority of independent directors, as established by applicable laws and rule 5605 of the NASDAQ Stock Market Rules and the rules of any stock exchanges upon which the Company's securities are listed, including section 3.1 of National Policy 58-201 – *Corporate Governance Guidelines.*

Where the Chair is not independent, the independent directors may select one of their number to be appointed lead director of the Board for such term as the independent directors may determine. The Chair or lead director, if appointed, will chair regular meetings of the independent directors and assume other responsibilities that the independent directors as a whole have designated.

Role and Responsibilities of the Board

The role of the Board is to act honestly and in good faith and act in the best interest of the Company, and each member of the Board must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Board is ultimately accountable and responsible for providing independent, effective leadership in supervising the management of the business and affairs of the Company.

The responsibilities of the Board include:

- adopting a strategic planning process;
- risk identification and ensuring that procedures are in place for the management of those risks;
- the Company's internal control and management information systems;
- review and approve annual operating plans and budgets;
- corporate social responsibility, ethics and integrity;
- review the integrity of the Chief Executive Officer (CEO) and the other executive officers and ensure that the CEO and other executive officers create a culture of integrity;
- succession planning, including the appointment, training and supervision of management;
- delegations and general approval guidelines for management;

- monitoring financial reporting and management;
- monitoring internal control and management information systems;
- corporate disclosure and communications including the adoption of a Corporate Disclosure Policy, which shall serve as the communication policy for the Company;
- adopting measures for receiving feedback from stakeholders;
- adopting key corporate policies designed to ensure that the Company, its directors, officers and employees comply with all applicable laws, rules and regulations and conduct their business ethically and with honesty and integrity;
- developing the Company's approach to governance; and
- such other items as required by law including the *Business Corporations Act* (Ontario).

Meetings of the Board will be held at least quarterly, with additional meetings to be held depending on the state of the Company's affairs and in light of opportunities or risks which the Company faces. After each meeting of the Board, the directors will meet without management being present. In addition, separate meetings of the independent directors of the Board may be held at which members of management and the non-independent directors are not present.

The Board will delegate responsibility for the day-to-day management of the Company's business and affairs to the Company's senior officers and will supervise such senior officers appropriately.

The Board may delegate certain matters it is responsible for to Board committees, presently consisting of the Audit Committee, Corporate Governance and Nominating Committee and Compensation Committee.

Strategic Planning Process and Risk Management

The Board will adopt a strategic planning process to establish objectives and goals for the Company's business and will review, approve and modify as appropriate the strategies proposed by senior management to achieve such objectives and goals. The Board will review and approve, at least on an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the Company's business and affairs.

The Board, in conjunction with management, will identify the principal risks of the Company's business and oversee management's implementation of appropriate systems to effectively monitor, manage and mitigate the impact of such risks.

Succession Planning, Appointment and Supervision of Management

The Board will approve the succession plan for the Company, including the selection, appointment, supervision and evaluation of the CEO or any person acting in such capacity, and the other senior officers of the Company, and will also approve the compensation of the CEO or any person acting in such capacity, and the other senior officers of the Company.

In furtherance of the succession plan, the Board shall monitor senior management and oversee their training.

Delegations and Approval Authorities

The Board will delegate to the CEO, or any person acting in such capacity, senior management authority over the day-to-day management of the business and affairs of the Company.

Corporate Disclosure and Communications

The Board will seek to ensure that all corporate disclosure complies with all applicable laws, rules and regulations and the rules and regulations of the stock exchanges upon which the Company's securities are listed and the Corporate Disclosure Policy. In addition, the Board will adopt procedures that seek to ensure the security holders have a direct contact to a designated individual in order to provide them with corporate information.

Corporate Policies

The Board will adopt and monitor compliance of the policies and procedures, which are designed to ensure that the Company, its directors, officers and employees comply with all applicable laws, rules and regulations and conduct the Company's business ethically and with honesty and integrity. Principal policies consist of:

- Insider Trading Policy; and
- Whistleblower Policy.

Review of Mandate

The Corporate Governance and Nominating Committee will annually review and assess the adequacy of this mandate and recommend any proposed changes to the Board for consideration. The Board may, from time to time, amend this Mandate.

The Board may, from time to time, permit departures from the terms of this Mandate, either prospectively or retrospectively. The terms of this Mandate are not intended to give rise to civil liability on the part of the Company or its directors or officers to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.

Effective: March, 2018

SCHEDULE "B"

OPTION PLAN

TITAN MEDICAL INC.
STOCK OPTION PLAN

(Amended and Restated effective as of May 29, 2019)

1. The Plan and Definitions

A stock option plan (this "**Plan**"), pursuant to which options to purchase common shares in the capital of Titan Medical Inc. (the "**Corporation**") may be granted to the directors, officers and employees of the Corporation and to Service Providers retained by the Corporation, is hereby established on the terms and conditions set forth herein.

The trading price of the Common Shares may vary from time to time and the advantage conferred by the granting of an Option may not be guaranteed. Accordingly, each person who has been granted an Option must decide, in accordance with his own estimate and financial situation, if it is appropriate to exercise any Option granted under this Plan. The decision to exercise or to not exercise an Option shall not affect in any way the status of the option holder within the Corporation or its subsidiaries.

The following capitalized terms used herein shall have the meanings ascribed thereto as follows:

(i) "**Black Out Period**" means the period during which the Corporation has imposed trading restrictions on its insiders and certain other persons pursuant to its insider trading and disclosure policies;

(ii) "**Board**" means the Board of Directors of the Corporation;

(iii) "**control**" and "**controlled**" shall have the meanings ascribed thereto in the *Securities Act* (Ontario);

(iv) "**Common Shares**" means the common shares in the capital of the Corporation;

(v) "**Compensation Plans**" means this Plan, the DSU Plan and the SU Plan;

(vi) "**Disability**" means any disability with respect to a Participant which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Participant from:

(a) being employed or engaged by the Corporation, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Corporation or its subsidiaries; or

(b) acting as a director or officer of the Corporation or its subsidiaries;

(vii) "**DSU Plan**" means the Deferred Share Unit Plan of the Corporation effective as of May 29, 2019;

(viii) "**Eligible Assignee**" means, in respect of a Participant, that person's spouse, minor children or minor grandchildren, Eligible Retirement Plan, Eligible Corporation or Eligible Family Trust;

(ix) "**Eligible Corporation**" means, in respect of a Participant, a corporation controlled by that person and all the shares of which are held by that person and/or Eligible Assignees of that person;

(x) "**Eligible Family Trust**" means, in respect of a Participant, a trust of which the Eligible Person is a trustee and of which all beneficiaries are that person and/or Eligible Assignees;

(xi) "**Eligible Retirement Plan**" means, in respect of a Participant in Canada, a registered retirement savings plan or registered retirement income fund established by that person or under which the beneficiary or annuitant is that person, and in respect of a Participant in the United States, a 401(k) plan or individual retirement account established by that person or under which the beneficiary or annuitant is that person;

(xii) "**Exchange**" means the Toronto Stock Exchange and/or such other stock exchange upon which the Common Shares may become listed;

(xiii) "**Insider**" means a "reporting insider" (as such term is defined in National Instrument 55-104 – *Insider Reporting Requirements and Exemptions*) and "associates" and "affiliates" thereof (as such terms are defined in the rules of the Exchange or where they are not so defined, as such terms are defined in the *Securities Act* (Ontario));

(xiv) "**Insider Participation Limit**" means the number of Common Shares:

(a) issued to Insiders, within any one year period, and

(b) issuable to Insiders, at any time,

under this Plan, and when combined with the SU Plan, DSU Plan and all of the Corporation's other security based compensation arrangements (if any), do not exceed 15% of the Corporation's total issued and outstanding common shares.

(xv) "**Option Period**" shall mean the period during which an Option may be exercised;

(xvi) "**Options**" shall mean options to purchase Common Shares granted under this Plan;

(xvii) "**Participant**" shall have the meaning ascribed to in Section 6(a);

(xviii) "**Service Providers**" shall mean persons or companies engaged by the Corporation to provide services on a continuous basis for an initial, renewable or extended period of twelve months or more and, in the United States, shall only include those persons who may participate in an "Employee Benefit Plan" as set forth in Rule 405 of the U.S. Securities Act;

(xix) "**SU Plan**" mans the Share Unit Plan of the Corporation effective as of May 29, 2019;

(xx) "**U.S. Securities Act**" means the United States Securities Act of 1933, as amended; and

(xxi) "**VWAP**" means the volume weighted average trading price of the Common Shares on the Exchange, calculated by dividing the total value by the total volume of Common Shares traded for the relevant period.

2. Purpose

The purpose of this Plan is to advance the interests of the Corporation by encouraging the directors, officers and employees of the Corporation and Service Providers retained by the Corporation to acquire Shares, thereby: (i) increasing the proprietary interests of such persons in the Corporation; (ii) aligning the interests of such persons with the interests of the Corporation's shareholders generally; (iii) encouraging such persons to remain associated with the Corporation and (iv) furnishing such persons with an additional incentive in their efforts on behalf of the Corporation.

3. Administration

(a) This Plan shall be administered by the Board.

(b) Subject to the terms and conditions set forth herein, the Board is authorized to provide for the granting, exercise and method of exercise of Options, all on such terms (which may vary between Options granted from time to time) as it shall determine. In addition, the Board shall have the authority to: (i) construe and interpret this Plan and all option agreements entered into hereunder; (ii) prescribe, amend and rescind rules and regulations relating to this Plan and (iii) make all other determinations necessary or advisable for the administration of this Plan. All determinations and interpretations made by the Board shall be binding on all Participants (as hereinafter defined) and on their legal, personal representatives and beneficiaries and permitted assignees hereunder.

(c) The Board's authority to make amendments to this Plan without shareholder approval shall be in accordance with paragraph 18 below.

(d) Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of this Plan, in whole or in part, to a committee of the Board or to the Chief Executive Officer or any other officer of the Corporation. Whenever used herein, the term "Board" shall be deemed to include any committee or officer to which the Board has, fully or partially, delegated responsibility and/or authority relating to the Plan or the administration and operation of this Plan pursuant to this Section 3.

(e) Options shall be evidenced by (i) an agreement, signed on behalf of the Corporation and by the person to whom an Option is granted, which agreement shall be in such form as the Board shall approve, or (ii) a written notice or other instrument, signed by the Corporation, setting forth the material attributes of the Options.

(f) The Board shall not grant Options to residents of the United States unless such Options are registered under the U.S. Securities Act or are issued in compliance with an available exemption from the registration requirements of the U.S. Securities Act.

4. Shares Subject to Plan

(a) Subject to Section 15 below, the securities that may be acquired by Participants upon the exercise of Options shall be deemed to be fully authorized and issued Common Shares. Whenever used herein, the term "Common Shares" shall be deemed to include any other securities that may be acquired by a Participant upon the exercise of an Option the terms of which have been modified in accordance with Section 15 below.

(b) The aggregate number of Common Shares reserved for issuance under this Plan and all of the other Compensation Plans of the Corporation, shall not, at the time of the stock option grant, exceed fifteen percent (15%) of the total number of issued and outstanding Common Shares (calculated on a non-diluted basis) unless the Corporation receives the permission of the stock exchange or exchanges on which the Shares are then listed to exceed such limit.

(c) If any Option granted under this Plan shall expire or terminate for any reason without having been exercised in full, any un-purchased Common Shares to which such Option relates shall be available for the purposes of the granting of Options under this Plan.

5. Maintenance of Sufficient Capital

The Corporation shall at all times during the term of this Plan ensure that the number of Common Shares it is authorized to issue shall be sufficient to satisfy the Corporation's obligations under all outstanding Options granted pursuant to this Plan.

6. Eligibility and Participation

(a) The Board may, in its discretion, select any of the following persons to participate in this Plan and to receive Options under this Plan:

(i) directors of the Corporation;

(ii) officers of the Corporation;

(iii) employees of the Corporation; and

(iv) Service Providers;

(any such person having been selected for participation in this Plan by the Board is herein referred to as a '**Participant**").

(b) The Board may from time to time, in its discretion, grant an Option to any Participant, upon such terms, conditions and limitations as the Board may determine, including the terms, conditions and limitations set forth herein, provided that Options granted to any Participant shall be approved by the shareholders of the Corporation if the rules of any stock exchange on which the Shares are listed require such approval.

7. Exercise Price

The Board shall, at the time an Option is granted under this Plan, fix the exercise price at which Common Shares may be acquired upon the exercise of such Option provided that such exercise price may not be lower than the VWAP of the Common Shares on the Exchange over the period of five days immediately preceding the date of the grant. In addition, the exercise price of an Option must be paid in cash. Disinterested shareholder approval shall be obtained by the Corporation prior to any reduction to the exercise price if the affected Participant is an Insider.

8. Number of Optioned Shares

The number of Common Shares that may be acquired under an Option granted to a Participant shall be determined by the Board as at the time the Option is granted, provided that the aggregate number of Shares reserved for issuance to any one Participant under this Plan or any other plan of the Corporation, shall not exceed five percent (5%) of the total number of issued and outstanding Common Shares (calculated on a non-diluted basis) in any 12-month period.

This Plan limits the number of Options which may be granted to Insiders to the Insider Participation Limit except in circumstances where the Corporation has obtained disinterested shareholder approval for grants of Options to Participants who are Insiders where any such grant or grants would result in the Insider Participation Limit being exceeded.

9. Term

The Option Period shall be determined by the Board at the time that the Option is granted, subject to any vesting limitations which may be imposed by the Board in its sole and unfettered discretion at the time that such Option is granted and Sections 11, 12 and 16 below, provided that:

(a) no Option shall be exercisable for a period exceeding ten (10) years from the date that the Option is granted unless the Corporation receives the required approval of the stock exchange or exchanges on which the Common Shares are then listed and as specifically provided by the Board and as permitted under the rules of any stock exchange or exchanges on which the Shares are then listed;

(b) no Option in respect of which shareholder approval is required under the rules of any stock exchange or exchanges on which the Common Shares are then listed shall be exercisable until such time as the Option has been approved by the shareholders of the Corporation;

(c) the Board may, subject to the receipt of any necessary regulatory approvals, in its sole discretion, accelerate the time at which any Option may be exercised, in whole or in part; and

(d) notwithstanding the expiration date applicable to any Option, if an Option would otherwise expire during a Black Out Period or during the period of ten business days immediately following the last day of a Black Out Period, the expiration date of such Option shall be the tenth business day following the expiration of the Black Out Period, provided that in no event shall the period during which said Option is exercisable be extended beyond 10 years from the date such Option is granted to the Participant.

10. Method of Exercise of Option

(a) Except as set forth in Sections 11 and 12 below or as otherwise determined by the Board, no Option may be exercised unless the holder of such Option is, at the time the Option is exercised, a director, officer, employee or Service Provider of the Corporation or an Eligible Assignee.

(b) Options that are otherwise exercisable in accordance with the terms thereof may be exercised in whole or in part from time to time.

(c) Any Participant (or his legal, personal representative) or Eligible Assignee wishing to exercise an Option shall deliver to the Corporation, at its principal office in the City of Toronto, Ontario:

(i) a written notice expressing the intention of such Participant (or his legal, personal representative) or Eligible Assignee to exercise the Option and specifying the number of Common Shares in respect of which the Option is exercised; and

(ii) a cash payment, certified cheque or bank draft, representing the full purchase price of the Common Shares in respect of which the Option is exercised.

(d) Upon the exercise of an Option as aforesaid, the Corporation shall use reasonable efforts to forthwith deliver, or cause the registrar and transfer agent of the Common Shares to deliver, to the relevant Participant (or his legal, personal representative) or to the order thereof, a certificate representing the aggregate number of fully paid and non-assessable Common Shares in respect of which the Option has been duly exercised.

(e) No Option holder who is resident in the United States may exercise Options unless the Common Shares to be issued upon exercise are registered under the U.S. Securities Act or are issued in compliance with an available exemption from the registration requirements of the U.S. Securities Act.

(f) The Corporation shall be entitled to take all steps necessary to ensure that sufficient funds are provided to the Corporation by the Participant or Eligible Assignee to enable the Corporation to satisfy all withholding tax and other source deduction requirements in respect of the exercise of an Option by the Participant or Eligible Assignee that are imposed by any applicable law, including:

(i) deducting and withholding any amount from any payments made to the Participant or Eligible Assignee, whether hereunder or otherwise;

(ii) requiring from the Participant or Eligible Assignee a cash payment, certified cheque or bank draft in the amount specified by the Corporation; and

(iii) requiring that the Participant or Eligible Assignee enter into a same-day sale in respect of some or all of the Common Shares received on the exercise of an Option, with a portion of the sale proceeds being remitted directly to the Corporation.

11. Ceasing to be a Director, Officer, Employee or Service Provider

Unless the Board otherwise determines:

(a) if a Participant is dismissed for cause as a director, officer or employee of, or Service Provider to, the Corporation or one of its subsidiaries, all unexercised Option rights of that Participant or such Participant's Eligible Assignee (where the Participant has assigned the Option to such Eligible Assignee) under this Plan shall immediately become terminated and shall lapse notwithstanding the original term of the Option granted to such Participant under this Plan; and

(b) if any Participant shall cease to hold the position or positions of director, officer, employee or Service Provider of the Corporation (as the case may be) as a result of (i) retirement at the normal retirement age prescribed by the Corporation, if any; (ii) resignation; or (iii) termination other than for cause; such Participant or such Participant's Eligible Assignee (where the Participant has assigned the Option to such Eligible Assignee) shall have the right for a period to be determined by the Board not exceeding 90 days, or such longer period determined by the Board at its discretion in respect of a specific Option on a date after such Option is granted notwithstanding an earlier determination by the Board, from the date of the Participant ceasing to be a director, officer, employee or Service Provider to exercise his Options under this Plan with respect to all Common Shares issuable thereunder to the extent that the Options were exercisable on the date of such Participant ceasing to hold any such position with the Corporation, or until the normal expiry date of the Option, whichever is earlier. Upon the expiration of such period, all unexercised Option rights of that Participant and any Eligible Assignee thereof under this Plan shall immediately become terminated and shall lapse notwithstanding the original term of the Option granted to such Participant under this Plan.

For greater certainty, the termination of any Options held by the Participant or his Eligible Assignee, and the period during which the Participant or his Eligible Assignee may exercise any Options, shall be without regard to any notice period arising from the Participant's ceasing to hold the position or positions of director, officer, employee or Service Provider of the Corporation (as the case may be).

Neither the selection of any person as a Participant nor the granting of an Option to any Participant under this Plan shall: (i) confer upon such Participant any right to continue as a director, officer, employee or Service Provider of the Corporation, as the case may be; or (ii) be construed as a guarantee that the Participant will continue as a director, officer, employee or Service Provider of the Corporation, as the case may be.

12. Death or Disability of a Participant

In the event of the death of a Participant, any Option previously granted to him shall be exercisable until the end of the Option Period or until the expiration of 12 months after the date of death of such Participant, whichever is earlier, and then only:

(a) by the person or persons to whom the Participant's rights under the Option shall pass by the Participant's will or applicable law; and

(b) to the extent that he was entitled to exercise the Option as at the date of his death.

Notwithstanding Section 11, in the event of the Disability of a Participant, any Option previously granted to him shall be exercisable until the end of the Option Period or until the expiration of 12 months after the determination by the Board of the Disability, whichever is earlier.

13. Rights of Participants

No person entitled to exercise any Option granted under this Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Common Shares issuable upon exercise of such Option until such Common Shares have been paid for in full and issued to such person.

14. Proceeds from Exercise of Options

The proceeds from any issuance of Common Shares upon the exercise of Options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine and direct.

15. Adjustments

(a) The number of Common Shares subject to the Plan shall be increased or decreased proportionately in the event of the subdivision or consolidation o f the outstanding Common Shares of the Corporation, and in any such event a corresponding adjustment shall be made to the number of Common Shares deliverable upon the exercise of any Option granted prior to such event without any change in the total price applicable to the unexercised portion of the Option, but with a corresponding adjustment in the price for each Common Share that may be acquired upon the exercise of the Option. In case the Corporation is reorganized or merged or consolidated or amalgamated with another corporation, appropriate provisions shall be made for the continuance of the Options outstanding under this Plan and to prevent any dilution or enlargement of the same.

(b) Adjustments under this Section 15 shall be made by the Board, whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Common Shares shall be issued upon the exercise of an Option following the making of any such adjustment.

16. Change of Control

Notwithstanding any vesting restrictions otherwise applicable to the relevant Options, in the event of a sale by the Corporation of all or substantially all of its assets or in the event of a change of control of the Corporation, each Participant or his Eligible Assignee shall be entitled to exercise, in whole or in part, the Options granted to such Participant hereunder, either during the term of the Option or within 90 days after the date of the sale or change of control, whichever first occurs.

For the purpose of this Plan, “change of control of the Corporation” means and shall be deemed to have occurred upon:

(a) the acceptance by the holders of Common Shares of the Corporation, representing in the aggregate, more than 50 percent (50%) of all issued Common Shares of the Corporation, of any offer, whether by way of a takeover bid or otherwise, for all or any of the outstanding Common Shares of the Corporation; or

(b) the acquisition, by whatever means, by a person (or two or more persons who, in such acquisition, have acted jointly or in concert or intend to exercise jointly or in concert any voting rights attaching to the Common Shares acquired), directly or indirectly, of beneficial ownership of such number of Common Shares or rights to Common Shares of the Corporation, which together with such person’s then owned Common Shares and rights to Common Shares, if any, represent (assuming the full exercise of such rights to voting securities) more than fifty percent (50%) of the combined voting rights of the Corporation’s then outstanding Common Shares; or

(c) the entering into of any agreement by the Corporation to merge, consolidate, amalgamate, initiate an arrangement or be absorbed by or into another corporation; or

(d) the passing of a resolution by the Board or shareholders of the Corporation to substantially liquidate the assets or wind-up the Corporation’s business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a bona fide reorganization of the Corporation in circumstances where the business of the Corporation is continued and where the shareholdings remain substantially the same following the re-arrangement); or

(e) individuals who were members of the Board immediately prior to a meeting of the shareholders of the Corporation involving a contest for or an item of business relating to the election of directors, not constituting a majority of the Board following such election.

17. Transferability

(a) Subject to sub-section 17(b), all Options and all benefits, interests and rights accruing to any Participant (or such Participant's Eligible Assignee) in accordance with the terms and conditions of this Plan may only be exercised by the Participant (or such Participant's Eligible Assignee) during the lifetime of a Participant and shall be non-transferrable and non-assignable and may not be made subject to execution, attachment or similar process, save and except with the prior written permission of the Board, or in the event of the death of a Participant, by the person or persons to whom the Participant's rights under the Option pass by the Participant's will or applicable laws of descent and distribution.

(b) Notwithstanding section 17(a) but subject to obtaining any necessary approvals in advance from the Corporation and from each Exchange on which the Common Shares are listed and which reserves the right to approve such assignments, a Participant may assign Options granted to him under the Plan to Eligible Assignees and Eligible Assignees may, in turn, assign such Options to the original Participant or to other Eligible Assignees of the original Participant. Notwithstanding any such assignment, (i) all Options granted under the Plan shall be deemed to be the Option of the original Participant for the purposes of applying the rules and policies of the Exchange on which the Common Shares are listed and (ii) the Corporation shall continue to treat the original Participant as the holder of the assigned Options unless and until such time as the Corporation is provided with notice in writing from the original Participant or its legal representative and the Eligible Assignee, together with such other documentation as the Corporation may require, confirming that the assignee is an Eligible Assignee.

18. Amendment and Termination of Plan

The Board may also, at any time, amend or revise the terms of this Plan, subject to the receipt of all necessary shareholder, Exchange and regulatory approvals, and any such amendment or revision shall apply to any Options theretofore granted under this Plan.

The Board has the discretion to make amendments to this Plan which it may deem necessary, without having to obtain shareholder approval including, without limitation:

(a) minor changes of a "housekeeping nature";

(b) amending Options under this Plan, including with respect to the Option Period (provided that the period during which an Option is exercisable does not exceed 10 years from the date the Option is granted and that such Option is not held by an Insider), vesting period, exercise method and frequency, subscription price (provided that such Option is not held by an Insider) and method of determining the subscription price, assignability and effect of termination of a Participant's employment or cessation of the Participant's directorship;

(c) changing the class of Participants eligible to participate under this Plan;

(d) accelerating the vesting of any Option;

(e) extending the expiration date of any Option provided that the period during which an option is exercisable does not exceed 10 years from the date the Option is granted and provided that such Option is not held by an Insider, and where such Option is held by an Insider in such case, shareholder approval shall be obtained in connection with the extension;

(f) changing the terms and conditions of any financial assistance which may be provided by the Corporation to Participants to facilitate the purchase of Common Shares under this Plan; and

(g) adding a cashless exercise feature, payable in cash or securities, which provides for a full deduction of the number of underlying Common Shares from this Plan reserve.

Shareholder approval will be required in the case of: (i) any amendment to the amendment provisions of this Plan; (ii) any increase in the maximum number of Common Shares issuable under this Plan; (iii) any reduction in the exercise price or extension of the Option Period benefiting an insider of the Corporation; and (iv) any amendment to remove or exceed the Insider Participation Limit, in addition to such other matters that may require shareholder approval under the rules and policies of the Exchange.

19. Necessary Approvals

The obligation of the Corporation to issue and deliver Common Shares in accordance with this Plan and Options granted hereunder is subject to applicable securities legislation and to the receipt of any approvals that may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If Common Shares cannot be issued to a Participant upon the exercise of an Option for any reason whatsoever, the obligation of the Corporation to issue such Common Shares shall terminate and any funds paid to the Corporation in connection with the exercise of such Option will be returned to the relevant Participant (or his Eligible Assignee) as soon as practicable.

20. Stock Exchange Rules

This Plan and any option agreements entered into hereunder shall comply with the requirements from time to time of the Exchange.

21. Market Fluctuations

No amount will be paid to, or in respect of, a Participant (or any Eligible Assignee) under the Plan to compensate for a downward fluctuation in the price of Common Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant (or any Eligible Assignee) for such purpose.

The Corporation makes no representations or warranties to Participants (or any Eligible Assignee) with respect to the Plan or the Options whatsoever. Participants (and any Eligible Assignees) are expressly advised that the value of any Options in the Plan will fluctuate as the trading price of Common Shares fluctuates.

In seeking the benefits of participation in the Plan, a Participant (and each Eligible Assignee) agrees to exclusively accept all risks associated with a decline in the market price of Common Shares whether before or after the exercise of Options and all other risks associated with participation in the Plan.

22. Right to Issue Other Shares

The Corporation shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, issuing further Common Shares, varying or amending its share capital or corporate structure or conducting its business in any way whatsoever.

23. Notice

Any notice required to be given by this Plan shall be in writing and shall be given by registered mail, postage prepaid or delivered by courier or by facsimile transmission addressed, if to the Corporation, at its principal address in Toronto, Ontario (Attention: Chief Financial Officer); or if to a Participant (or to an Eligible Assignee), to such Participant at his address as it appears on the books of the Corporation or in the event of the address of any such Participant not so appearing then to the last known address of such Participant; or if to any other person, to the last known address of such person.

24. Gender

Whenever used herein words importing the masculine gender shall include the feminine and neuter genders and vice versa.

25. Interpretation

This Plan will be governed by and construed in accordance with the laws of the Province of Ontario.

This Plan is subject to the approval of the stock exchange or exchanges on which the Common Shares are listed and, if applicable, of the shareholders of the Corporation.

26. Effective Date of Plan

This amended and restated Plan was adopted by the Board on September 22, 2014, it became effective on the date of its initial approval by shareholders of the Corporation on June 9, 2015, it was further amended and restated effective with further approval by the Board on March 14, 2018, and it was further amended and restated effective with shareholder approval on May 29, 2019.

SCHEDULE "C"

SU PLAN

SHARE UNIT PLAN
FOR OFFICERS AND KEY EMPLOYEES

ARTICLE 1
RECITALS

1.1 **Purpose.** Titan Medical Inc. (together with any successor thereto, the "**Corporation**") wishes to establish this Titan Medical Inc. Share Unit Plan (the "**Plan**") in order to:

(a) encourage selected Eligible Employees of the Corporation and its Affiliates to:

(i) acquire a proprietary interest in the growth and performance of the Corporation,

(ii) generate an increased incentive to contribute to the Corporation's future success and prosperity, and

(iii) align the interests of such Eligible Employees with the Corporation's long-term strategy and with the interests of the Corporation's shareholders, and

(b) enhance the ability of the Corporation and its Affiliates to attract and retain exceptionally qualified individuals upon whom, in large measure, the sustained progress, growth and profitability of the Corporation depend.

ARTICLE 2
DEFINITIONS

2.1 **Definitions**. As used in the Plan, the following terms shall have the meanings set forth below:

(a) "**Affiliate**" means: (i) any entity that, directly or through one or more intermediaries, is controlled by the Corporation and (ii) any entity in which the Corporation has a significant equity interest, as determined by the Board.

(b) "**Applicable Law**" means, with respect to any Person, property, transaction, event or other matter, any law, rule, statute, regulation, order, judgment, decree, treaty or other requirement having the force of law (collectively, the "**Law**") relating or applicable to such Person, property, transaction, event or other matter. Applicable Law also includes, where appropriate, any interpretation of the Law (or any part thereof) by any Governmental Body having jurisdiction, or charged with its administration or interpretation.

(c) "**Award**" means any award of Restricted Share Units or Performance Share Units granted under the Plan.

(d) "**Award Agreement**" means any written agreement, contract, or other instrument or document, including an electronic communication, as may from time to time be designated by the Corporation as evidencing any Award granted under the Plan.

(e) "**Board**" means the board of directors of the Corporation as constituted from time to time.

(f) "**Business Day**" means a day, other than a Saturday or Sunday, on which banking institutions in Toronto, Ontario are not authorized or obligated by law to close.

(g) "**Cause**", with respect to a Participant shall, if such Participant has entered into a written employment agreement with the Corporation or an Affiliate that is in force and contains a definition of "**Cause**", have the meaning given to the term in that agreement, or, if no such agreement exists, or if "**Cause**" is not defined therein, then Cause will have the following meaning, provided that the existence of Cause shall be determined in good faith by the Board or a designee of the Board:

(i) misconduct which constitutes a material breach of any of the Participant's obligations to the Corporation, or an Affiliate, including any material obligations set forth in any written agreement governing the terms of the Participant's employment and such breach, if curable, has not been cured within fifteen (15) days after written notice by the Corporation, or the affected Affiliate, to the Participant;

(ii) fraud, embezzlement, theft or other material dishonesty by the Participant with respect to the Corporation, or an Affiliate;

(iii) breach of his or her fiduciary duties to the Corporation, or an Affiliate, or misconduct which has, or could reasonably be expected to have, a material adverse effect upon the business, interests or reputation of the Corporation, or an Affiliate, and such breach or conduct, if curable, has not been cured within fifteen (15) days after written notice by the Corporation, or the affected Affiliate, to the Participant;

(iv) indictment or entering of a guilty plea for any indictable offence or felony or an analogous offence under the laws of another jurisdiction;

(v) refusal or failure to attempt in good faith to follow or carry out the reasonable instructions of the Board which failure, if curable, does not cease within fifteen (15) days after written notice of such failure is given to the Participant by the Board; or

(vi) any other act or omission of the Participant that would at law permit an employer to, without notice or payment in lieu of notice, terminate the employment of such Participant.

Notwithstanding the foregoing, to the extent that an alternative definition of Cause is provided in the Participant's Award Agreement, "Cause" shall have the meaning assigned thereto; provided that any alternative definition of Cause in the Award Agreement shall govern and supersede any alternative definition of Cause in any applicable employment agreement to the extent of any inconsistencies between such definitions.

(h) "**Change of Control**" means any occurrence of the following events:

(i) the completion of a merger, amalgamation, consolidation, reorganization, arrangement or other business combination of the Corporation with or into another corporation (other than a merger, amalgamation, consolidation, reorganization, arrangement or other business combination of the Corporation with any subsidiary);

(ii) the acquisition of all or substantially all of the outstanding common shares of the Corporation pursuant to a take-over bid;

(iii) the sale of all or substantially all of the assets of the Corporation; or

(iv) any other acquisition of the business of the Corporation as determined by the Board.

(i) "**Change of Control Termination**" means**,** provided in each case such event occurs within eighteen (18) months following a Change of Control without the Participant's consent:

(i) any termination by the Corporation of the employment of a Participant, as a result of a Change of Control**;**

(ii) any requirement by the Corporation or by any applicable Affiliate that the Participant's principal office be relocated more than 100 kilometers (or 60 miles as applicable) away from where it was prior to a Change of Control;

(iii) any change in the Participant's title, reporting relationship, responsibilities or authority as in effect immediately prior to any Change of Control which adversely affects to a material degree the Participant's role in the management of the Corporation or of any Affiliate, as applicable;

(iv) any material reduction in value of the Participant's compensation including, but not limited to, salary and any pension plan, stock option plan, investment plan, profit sharing plan, savings plan, bonus plan or life insurance, medical plans or disability plans or other employee benefit plan provided by the Corporation (or by any Affiliate if applicable) to and in which the Participant is participating or under which the Participant is covered, all as in effect immediately prior to any Change of Control; or

(v) the assignment to the Participant, following a Change of Control of any significant, ongoing duties which are inconsistent with the Participant's skills, position (including status, offices, titles and reporting requirements), authority, duties or responsibilities prior to the Change of Control, or any other action by the Corporation or by any applicable Affiliate which results in substantial diminution in such position.

(j) "**Committee**" means the Human Resources or Compensation Committee of the Board or any other committee comprising either the Board or such members or committee(s) of the Board as may be designated by the Board.

(k) "**Disability**" in relation to a Participant means qualification for long-term disability benefits under the long-term disability plan of the Corporation or of an Affiliate.

(l) "**Eligible Employees**" means a regular full-time or part-time employee of the Corporation or of an Affiliate of the Corporation and may at the discretion of the Committee include an employee or officer who is on leave of absence from the Corporation, but does not include a probationary employee, a temporary full-time or part-time employee, or a director of the Corporation unless that director is also a regular full-time or part-time employee of the Corporation.

(m) "**Fair Market Value**" on a particular date shall mean the closing price of the Shares on that date as reported on the TSX for Canadian Eligible Employees, or Nasdaq for American Eligible Employees, or if the TSX or Nasdaq, as applicable, is not open on such date, the immediately preceding date on which the applicable stock exchange is open. If the Shares are not listed and posted for trading on the applicable stock exchange at the relevant time, it shall be the fair market value of the Share, as determined by the Board acting in good faith.

(n) "**Forfeiture Date**" means the date, as determined by the Committee in its discretion, on which a Participant:

(i) resigns from employment with the Corporation or with an Affiliate as contemplated in Section 6.1;

(ii) is terminated for Cause as contemplated in Section 6.2; or

(iii) is terminated by the Corporation or by a Subsidiary without Cause as contemplated in Section 6.3 (not taking into account any period of notice or pay in lieu of notice which follows the Participant's last day of actual and active employment).

(o) "**Governmental Body**" means any government, parliament, legislature, regulatory authority, agency, commission, board or court or other law-making entity, rule-making entity, or regulation-making entity having or purporting to have jurisdiction on behalf of any nation or state or province or other subdivision thereof including any municipality or district or county.

(p) "**Grant Date**" means the date on which an Award is granted pursuant to the Plan.

(q) "**Insider**" means (i) an insider of the Corporation, as defined in the *Securities Act* (Ontario) other than a person who falls within that definition solely by virtue of being a director or senior officer of a subsidiary of the Corporation, and (ii) an associate of any person who is an insider by virtue of (i) above;

(r) "**Market Shares**" mean Shares purchased in the open market on the TSX, Nasdaq, or on any other securities exchange where Shares are traded.

(s) "**Nasdaq**" means the NASDAQ Stock Market LLC or any successor thereto.

(t) "**Participant**" means an Eligible Employee designated to be granted an Award under the Plan.

(u) "**Payment Value**" means the value of an Award on the Vesting Date, which shall be calculated using a formula determined by the Committee at the time of grant based on either (i) the Fair Market Value of one Share as of the day immediately preceding the Vesting Date multiplied by the number of Share Units held by the Participants on the Vesting Date, or (ii) an average of the Fair Market Value of one Share over a specified number of days prior to the Vesting Date multiplied by the number of Share Units held by the Participant on the Vesting Date.

(v) "**Performance Criteria**" means any quantitative and/or qualitative measures, as determined by the Committee, which may be used to measure the level of performance of the Corporation, any applicable Affiliate or any individual Participant during a Vesting Period, and may include arrangements under which the grant, issuance, retention, vesting and/or transferability of any applicable Award is subject to such criteria and such additional conditions or terms as may be designated by the Committee.

(w) "**Performance Multiplier**" has the meaning described in Section 5.2(b).

(x) "**Performance Share Unit**" or "**PSU**" means any right granted under this Plan which is subject to *inter alia*, a Vesting Period and Performance Criteria.

(y) "**Person**" means any individual (whether acting as an executor, trustee, administrator, legal representative or otherwise), corporation, estate, firm, partnership, limited partnership, sole proprietorship, syndicate, joint venture, trustee, trust, association, joint stock company, business trust, limited liability company, government or any department or agency thereof, unincorporated organization or association, and pronouns have a similar extended meaning.

(z) "**Restricted Share Unit**" or "**RSU"** means any right granted under this Plan which is subject to, *inter alia*, a Vesting Period.

(aa) "**Retirement**" means the retirement of a Participant from the employ of the Corporation or any Affiliate whereupon the Participant does not take up full-time employment with any other employer so long as the Participant is the holder of any outstanding Award, provided that in all cases, Retirement of a Participant will not be deemed to have occurred unless the Participant is at least 65 years of age at the time of Retirement.

(bb) "**Share Compensation Arrangement**" means any stock option performance share unit, restricted share unit, stock option plan, share unit plan, long-term or short-term incentive plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares, including a purchase of Shares from treasury which is financially assisted by the Corporation by way of loan, guarantee or otherwise;

(cc) "**Shares**" mean the common shares of the Corporation and such other securities as may become the subject of Awards, or become subject to Awards, pursuant to an adjustment made pursuant to the provisions of Article 4 of the Plan.

(dd) "**Share Units**" mean, collectively, Performance Share Units and Restricted Share Units.

(ee) "**Strike Price**" means no less than the closing price of the Shares on the last Trading Day prior to the Grant Date.

(ff) **"Tax Act**" means the *Income Tax Act* (Canada), as amended from time to time.

(gg) "**Trading Day**" means any day on which the TSX or Nasdaq is open for business.

(hh) "**TSX**" means the Toronto Stock Exchange or any successor thereto.

(ii) "**Vesting Date**" means the last Trading Day of the Vesting Period determined in accordance with Sections 5.2(a) and 5.2(b).

(jj) "**Vesting Period**" means any period as determined by the Committee, during which period the Participant who is the beneficiary of an Award must remain continuously employed by the Corporation or by any Affiliate, unless otherwise provided for in this Plan. A Participant will be considered employed by the Corporation or an Affiliate only up until the Participant's last day of actual and active employment with the Corporation or Affiliate, not including any notice period. For greater certainty, no period of notice of termination or pay in lieu thereof that is given (or that ought to have been given) in respect of any termination of employment will be considered as extending a Participant's period of employment for the purpose of determining his or her entitlements under this Plan. In case of doubt as to an individual's status as an Eligible Employee during the Vesting Period, the determination of the Committee shall be final.

2.2 **Extended Meanings**. In this Plan, words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders and vice versa.

2.3 **Calculation of Time Periods**. In this Agreement, except as otherwise expressly provided, when calculating the period of time within which or following which any act is to be done or step taken, such period will exclude the first day referenced in the period and include the last day referenced in the period and if the last day of the period is not a Trading Day, the period in question will end on the next Trading Day.

2.4 **Headings**. The division of this Plan into articles, sections, and subsections, and the use of headings, is for convenience of reference only and will not modify or affect the interpretation or construction of this Agreement.

2.5 **Use of the word Including**. The word "includes" or "including" shall mean "includes without limitation" or "including without limitation", respectively.

ARTICLE 3
ADMINISTRATION

3.1 **Committee to Interpret Plan.** Except as otherwise provided herein, the Plan shall be administered by the Committee, which shall have the power to interpret the Plan and to adopt such rules and guidelines for implementing the terms of the Plan as it may deem appropriate. The Committee shall have the ability to modify the Plan provisions, to the extent necessary, or delegate such authority, to accommodate any changes in Applicable Law in jurisdictions in which Participants will receive Awards.

3.2 **Power of the Committee**. Subject to the terms of the Plan and Applicable Law, the Committee shall have full power and authority to:

(a) designate Participants;

(b) determine the type or types of Awards to be granted to each Participant under the Plan;

(c) any payments, rights, or other matters are to be calculated in connection with Awards);

(d) determine the terms and conditions of any Award;

(e) determine whether, to what extent, and under what circumstances Awards may be settled or exercised in cash, Market Shares, other securities or other Awards, or cancelled, forfeited, or suspended, and the method or methods by which Awards may be settled, exercised, cancelled, forfeited, or suspended;

(f) determine any acceleration of exercisability or vesting, or waiver of termination or forfeiture regarding any Share Unit, based on such factors as the Committee may determine;

(g) determine whether, to what extent, and under what circumstances cash, Market Shares, other securities, other Awards, and other amounts payable with respect to an Award under the Plan shall be deferred either automatically or at the election of the holder thereof or of the Committee;

(h) interpret and administer the Plan and any instrument or agreement relating to, or Award made under, the Plan;

(i) establish, amend, suspend, or waive such rules and guidelines;

(j) appoint such agents as it shall deem appropriate for the proper administration of the Plan;

(k) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan; and

(l) correct any defect, supply any omission, or reconcile any inconsistency in the Plan or any Award in the manner and to the extent it shall deem desirable to carry the Plan into effect.

3.3 **Procedure**. The following shall be the process for the granting of Awards:

(a) the Board shall have the sole power, prerogative and authority to grant Share Units to Participants;

(b) the Committee shall be responsible for recommending any grant of Share Units, and shall do so by making a written proposal to the Board at a regularly scheduled Board meeting, setting out the following:

(i) the name of the Participants,

(ii) with respect to each grant of Share Units,

(A) the number allocated,

(B) the proposed Grant Date,

(C) the Performance Criteria and Performance Multiplier (only with respect to grants of Performance Share Units),

(D) the Vesting Period and the Vesting Date,

(E) the formula for calculating the Payment Value, and

(F) any other applicable restrictions, which restrictions may lapse separately or in combination at such time or times, in such instalments or otherwise, as the Committee may deem appropriate;

(c) if there is no undisclosed material information regarding the Corporation at the meeting at which the grants are approved, the date of such meeting shall be considered the Grant Date; if there is undisclosed material information at such meeting, the Grant Date shall be the second Trading Day after the disclosure by the Corporation of such information;

(d) upon approval of a grant of Awards by the Board and within one (1) Trading Day after the Grant Date, the Chair of the Committee or his delegate, shall calculate the Strike Price applicable for the relevant Grant Date, and shall then report all approved grants to the Corporation's accounting and human resource departments; and

(e) the administrative processing of the grants shall be completed in not more than four (4) Trading Days from the date of the report referred to in subclause 3.3(d) above, including the issuance to Participants of a notice indicating at least all of the information referred to in sub-clause 3.3(b)(ii) above.

3.4 **Administration of the Plan**. Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations, and other decisions under or with respect to the Plan or any Award shall be within the sole discretion of the Committee, may be made at any time, and shall be final, conclusive, and binding upon all Persons, including the Corporation, any Affiliate, any Participant, any holder or beneficiary of any Award, any shareholder, and any employee of the Corporation or of any Affiliate.

3.5 **Number of Shares to be issued under the Plan.**

Under the Plan and all of the other Share Compensation Plans:

(a) the maximum number of Shares issuable pursuant to outstanding Share Units and all other Share Compensation Arrangements, shall not exceed 15% of the Shares outstanding from time to time;

(b) the number of Shares of the Corporation that may be issued to any single Participant and his, her or its associates within any one-year period may not exceed 5% of the issued and outstanding securities of the Corporation;

(c) the number of Shares of the Corporation that may be issuable to any single Participant and his, her or its associates may not exceed 5% of the issued and outstanding securities of the Corporation;

(d) the number of Shares of the Corporation issuable to Insiders, at any time, under all Share Compensation Arrangements, cannot exceed 15% of the issued and outstanding securities of the Corporation; and

(e) the number of Shares of the Corporation issued to Insiders, within any one year period, under all Share Compensation Arrangements, cannot exceed 15% of the issued and outstanding securities of the Corporation.

ARTICLE 4
ADJUSTMENT OF AWARDS

4.1 **Adjustments for Awards**. In the event that the Committee shall determine that any dividend or other distribution (whether in the form of cash, Shares, or other securities), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of Shares or other securities of the Corporation, issuance of warrants or other rights to purchase Shares or other securities of the Corporation, or other similar corporate transaction or event or otherwise affects the Shares, then the Committee shall adjust the following in a manner that is determined by the Committee to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan:

(a) the number and type of Share Units subject to outstanding Awards;

(b) the grant, purchase, or exercise price with respect to any Award, or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding Award; and

(c) other value determinations applicable to outstanding Awards;

provided, however, that the number of Performance Share Units or Restricted Share Units, as applicable, subject to any Award shall always be a whole number.

4.2 **Adjustments of Awards Upon Certain Acquisitions**. In the event the Corporation or any Affiliate shall assume outstanding employee compensation awards or the right or obligation to make such future compensation awards in connection with the acquisition of another business or another corporation or business entity, the Committee may make such adjustments, not inconsistent with the terms of the Plan, in the terms of Awards as it shall deem appropriate in order to achieve reasonable comparability or other equitable relationship between the assumed obligations and the Awards granted under the Plan as so adjusted.

4.3 **Adjustments of Awards Upon the Occurrence of Certain Unusual or Nonrecurring Events**. The Committee shall be authorized to make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events affecting the Corporation, any Affiliate, or the financial statements of the Corporation or any Affiliate, or of changes in Applicable Law, or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits to be made available under the Plan.

4.4 **Treatment of Dividends**. Notwithstanding any provision of Section 4.1 above, dividends declared by the Corporation, if any, shall be treated as if they had been invested in purchasing additional Restricted Share Units or Performance Share Units, as applicable, which shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of Shares used in calculating the Award of Share Units recorded in the Participant's account on the record date for the payment of such dividend, by (b) the Fair Market Value for the trading date immediately following the relevant dividend record date, with fractions computed to three decimal places.

ARTICLE 5
AWARDS

5.1 **Evidence of Share Units**. Any Share Units granted under the Plan will be evidenced by an Award Agreement between the Corporation and the Participant, which agreement will contain terms and conditions consistent with the Plan and as approved by the Board.

5.2 **Vesting and Performance Metric.**

(a) For RSUs, unless otherwise determined by the Committee and stated in the Award Agreement, the Vesting Date shall be on the third (3rd) anniversary of the Grant Date. Vesting for RSUs is based solely on a Participant's continued employment with the Corporation or Affiliate throughout the Vesting Period.

(b) For PSUs, unless otherwise determined by the Committee and stated in the Award Agreement, the Vesting Date shall be on the third (3rd) anniversary of the Grant Date. Each Award Agreement will describe the Performance Criteria that must be achieved for such PSUs to vest as of the end of the Vesting Period, provided the Participant is continuously employed by or in service with the Corporation or any of its Affiliates from the Grant Date until such Vesting Date. The Award Agreement may provide that the number of Shares that each PSU entitles the Participant to, being one Share, will be multiplied by a factor (the "**Performance Multiplier**") such that each PSU will entitle the Participant to more than or less than one Share. The number of PSUs that will vest as of the end of the Vesting Period will be:

(i) the number of PSUs allocated, subject to meeting the Performance Criteria, or

(ii) if a Performance Multiplier is used, the number of PSUs allocated, subject to meeting the Performance Criteria, multiplied by the Performance Multiplier.

5.3 **Awards may be Granted Separately or Together**. Awards may, in the discretion of the Committee, be granted either alone or in addition to, in tandem with, or in substitution for, any other Award or any compensation award granted under any other plan of the Corporation or of any Affiliate. Awards granted in addition to or in tandem with other Awards, or in addition to or in tandem with compensation awards granted under any other plan of the Corporation or any Affiliate, may be granted either at the same time as or at a different time from the grant of such other Awards or obligations.

5.4 **Payment under Awards**. Except as provided in the Award Agreement or any other provision of this Plan, all of the vested Share Units covered by a particular grant and any related Share Units credited pursuant to Section 4.4 will be settled on the first Business Day following the Vesting Date for the Payment Value, but in no event later than December 31 of the third calendar year following the year in which the Grant Date in respect of the Share Units occurred. Subject to the terms of the Plan and of any applicable Award Agreement, payments or transfers to be made by the Corporation or an Affiliate upon the settlement of an Award may be made in such form or forms as the Committee shall determine, including, without limitation, cash, Market Shares, Shares issued from treasury other securities or other Awards, or any combination thereof, and may be made in a single payment or transfer.

5.5 **Limits on Transfer of Awards**. Except as provided by the Committee, no Award and no right under any such Award, shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution; provided, however, that, if so determined by the Committee, a Participant may, in the manner established by the Committee, designate a beneficiary or beneficiaries to exercise the rights of the Participant with respect to any Award upon the death of the Participant. Each Award, and each right under any Award, shall be exercisable, during the Participant's lifetime, only by the Participant or, if permissible under Applicable Law, by the Participant's guardian or legal representative. No Award, and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Corporation or any Affiliate.

5.6 **Conditions and Restrictions Upon the Share Units Subject to Awards**. The Committee may provide that any Share Units which are subject to or issued under an Award shall be subject to such further agreements, restrictions, conditions or limitations as the Committee in its discretion may specify prior to the grant, vesting or settlement of such Award, including without limitation, conditions on vesting or transferability and forfeiture or repurchase provisions or provisions on payment of taxes arising in connection with an Award. Notwithstanding the provisions of this Section 5.6 or any other provisions of the Plan, any and all Performance Share Units or Restricted Share Units, as applicable, subject to or issued under an Award must be settled and paid by December 31 of the third calendar year of the year following the year in which the services giving rise to the award were rendered. In addition, all Shares issued to Persons in the United States pursuant to the Plan will be issued pursuant to the registration requirements of the United States Securities Act of 1933, as amended, or an exemption from such registration requirements.

ARTICLE 6
TERMINATION OF EMPLOYMENT

6.1 **Voluntary Resignation of the Participant**. If a Participant resigns from employment with the Corporation or with an Affiliate (other than as a result of a Change of Control Termination, Retirement, death or Disability), the Participant shall, effective on the relevant Forfeiture Date, cease to be a Participant, and the former Participant shall forfeit all rights in respect of the Participant's Awards. All such Awards shall be cancelled effective at the commencement of the relevant Forfeiture Date and no distribution shall be made to the former Participant in relation to such forfeited Awards under the Plan.

6.2 **Termination for Cause**. If the employment of a Participant with the Corporation or with an Affiliate is terminated for Cause (other than as a result of a Change of Control Termination), the Participant shall, effective on the relevant Forfeiture Date, cease to be a Participant, and the former Participant shall forfeit all rights in respect of the Participant's Awards. All such Awards shall be cancelled effective at the commencement of the relevant Forfeiture Date and no distribution shall be made to the former Participant in relation to such forfeited Awards under the Plan.

6.3 **Termination Without Cause**. If the employment of a Participant with the Corporation or with an Affiliate is terminated without Cause (other than as a result of a Change of Control Termination), any unvested Awards will vest at the end of the relevant Vesting Period based upon a ratio where the numerator is the number of months such former Participant was employed during the relevant Vesting Period (rounded down to the nearest whole number) and the denominator is the total number of months of the relevant Vesting Period. With respect to any Awards of Performance Share Units, any accelerated vesting will be determined by the Committee and may vary depending on the specific nature of the performance-based vesting condition and the proration of the unvested PSUs.

6.4 **Change of Control Termination**. If the employment of a Participant with the Corporation or with an Affiliate is affected by a Change of Control Termination, all unvested Awards shall vest immediately upon the Change of Control Termination and the Participant shall be entitled to the benefits of such Awards as though the Vesting Date is the date of Change of Control Termination, provided however that the Participant shall have the option of exercising his or her rights under the Awards at any later date in the calendar year in which the Change of Control Termination occurs, subject to Applicable Law. For the purposes of this paragraph, all Performance Criteria with respect to any Performance Share Units shall be deemed to have been met at target on the relevant Vesting Date.

6.5 **Death, Disability or Retirement.**

(a) *Death*. If a Participant dies before all or a portion of such Awards have vested, any unvested Awards will vest at the end of the relevant Vesting Period based upon a ratio where the numerator is the number of months such deceased Participant was employed during the relevant Vesting Period (rounded down to the nearest whole number) and the denominator is the total number of months of the relevant Vesting Period. With respect to any Awards of Performance Share Units, the ratio specified in the previous sentence is subject to any Performance Criteria applicable to the relevant Award of Performance Share Units, and to the Committee's interpretation regarding whether these Performance Criteria have been met. The Committee will be under no obligation to perform its obligations pursuant to the provisions of this Section 6.5(a) until the Committee receives satisfactory evidence of the Participant's death from the authorized legal representative of the deceased Participant.

(b) *Disability or Retirement.* If a Participant ceases to be an Eligible Employee of the Corporation or an Affiliate due to Retirement or Disability, any unvested Awards will vest at the end of the relevant Vesting Period based upon a ratio where the numerator is the number of months such former Participant was employed during the relevant Vesting Period (rounded down to the nearest whole number) and the denominator is the total number of months of the relevant Vesting Period. With respect to any Awards of Performance Share Units, the ratio specified in the previous sentence is subject to any Performance Criteria applicable to the relevant Award of Performance Share Units, and to the Committee's interpretation regarding whether these Performance Criteria have been met.

6.6 **Discretion with Respect to Unvested Award.** Notwithstanding any provision of this Article 6, the Committee, in its sole discretion, may approve the vesting or settlement of any unvested Awards which result from any activities described in Sections 6.1, 6.2, 6.3, 6.4 or 6.5 above. Settlement of any Payment Value resulting from the exercise of any rights referenced in this ARTICLE 6 may be made in cash, Market Shares or other securities pursuant to the provisions of the applicable Award Agreement or pursuant to any other agreement, written or otherwise, as applicable.

ARTICLE 7
AMENDMENT AND TERMINATION OF PLAN

7.1 **Amendment and Termination of the Plan**. Except to the extent prohibited by Applicable Law and unless otherwise expressly provided in an Award Agreement or in the Plan:

(a) *Amendments to the Plan.* The Committee may amend, alter, suspend, discontinue, or terminate the Plan, in whole or in part; *provided*, *however*, that if shareholder approval is required by Applicable Law or by regulation or rule of the TSX or Nasdaq, no material amendment shall be made without the prior approval of the Corporation's shareholders.

(b) *Amendments to Awards.* The Committee may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue, or terminate, any Awards theretofore granted, prospectively or retroactively. No such amendment or alteration shall be made which would impair the rights of any Participant, without such Participant's consent, under any Award theretofore granted, provided that no such consent shall be required with respect to any amendment or alteration if the Committee determines in its sole discretion that such amendment or alteration either: (i) is required or advisable in order for the Corporation, the Plan or the Award to satisfy or conform to any Applicable Law or to meet the requirements of any accounting standard, or (ii) is not reasonably likely to significantly diminish the benefits provided under such Award.

(c) No such amendment to the Plan shall cause the Plan to cease to be a plan described in paragraph (k) of the definition of "salary deferral arrangement" in subsection 248(1) of the Tax Act or any successor to such provision.

ARTICLE 8
GENERAL PROVISIONS

8.1 **No Rights to Awards**. No Eligible Employee, Participant or other Person shall have any claim to be granted any Award under the Plan, or, having been selected to receive an Award under this Plan, to be selected to receive a future Award, and further there is no obligation for uniformity of treatment of Eligible Employees, Participants, or holders or beneficiaries of Awards under the Plan. The terms and conditions of Awards need not be the same with respect to each recipient.

8.2 **No Voting Rights**. Under no circumstances shall Awards of Share Units entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Shares or other securities of the Corporation, nor shall any Participant be considered the owner of Shares by virtue of receiving Share Units pursuant to an Award.

8.3 **Withholding.**

(a) So as to ensure that the Corporation or any Affiliate, as applicable, will be able to comply with the applicable provisions of any federal, provincial, state or other law relating to the withholding of tax or other required deductions (including on the amount, if any, includable in the income of an Eligible Employee) the Corporation or any Affiliate, as applicable, may withhold or cause to be withheld from any amount payable to an Eligible Employee under this Plan as may be necessary to permit the Corporation or any such Affiliate, as applicable, to so comply (the **"Applicable Withholding Taxes**").

(b) It is the responsibility of the Participant to complete and file any tax returns which may be required within the periods specified in applicable laws as a result of the Participant's participation in the Plan. The Corporation shall not be held responsible for any tax consequences to a Participant as a result of the Participant's participation in the Plan.

(c) For greater certainty, unless not required under the Tax Act or any other applicable law, no Share Units will be settled until:

(i) an amount sufficient to cover the Applicable Withholding Taxes payable on the settlement of Share Units has been received by the Corporation (or withheld by the Corporation from any other remuneration owed to the Participant); or

(ii) the Participant undertakes to arrange for such number of Shares to be sold as is necessary to raise an amount equal to the Applicable Withholding Taxes, and to cause the proceeds from the sale of such Shares to be delivered to the Corporation.

8.4 **No Limit on Other Compensation Arrangements**. Nothing contained in the Plan shall prevent the Corporation or any Affiliate from adopting or continuing in effect other or additional compensation arrangements and such arrangements may be either generally applicable or applicable only in specific cases.

8.5 **No Right to Employment**. The grant of an Award shall be construed as giving a Participant the right to be retained in the employ of the Corporation or any Affiliate. Further, the Corporation or an Affiliate may at any time dismiss a Participant from employment, free from any liability, or any claim under the Plan, unless otherwise expressly provided in the Plan or in any Award Agreement.

8.6 **Governing Law**. The validity, construction, and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein without regard to conflict of law.

8.7 **Severability**. If any provision of the Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or under any Applicable Law, or as to any Person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to such law, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award, such provision shall be stricken as to such jurisdiction, Applicable Law, Person, or Award, and the remainder of the Plan and any such Award shall remain in full force and effect.

8.8 **No Trust or Fund Created.** Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Corporation or any Affiliate and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Corporation or any Affiliate pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of the Corporation or any Affiliate.

8.9 **No Fractional Market Shares**. No fractional Market Shares shall be delivered pursuant to the Plan or any Award. Any fractional Market Shares which would otherwise be delivered pursuant to the Plan or any Award will be settled in cash.

8.10 **No Representations or Covenants with Respect to Tax Qualification**. Although the Corporation may endeavour to: (i) qualify an Award for favourable Canadian or foreign tax treatment or (ii) avoid adverse tax treatment, the Corporation makes no representation to that effect and expressly disavows any covenant to maintain favourable or avoid unfavourable tax treatment. The Corporation shall be unconstrained in its corporate activities without regard to the any potential negative tax affects to holders of Awards under the Plan.

8.11 **Awards to Foreign Employees**. The Committee shall have the power and authority to determine which Affiliates shall be covered by this Plan and which employees who are located in a country other than Canada and the United States shall be eligible to participate in the Plan. The Committee may adopt, amend or rescind rules, procedures or sub-plans relating to the operation and administration of the Plan to accommodate the specific requirements of local laws, procedures, and practices. Without limiting the generality of the foregoing, the Committee is specifically authorized to adopt rules, procedures and sub-plans with provisions that limit or modify: (i) rights on death, disability or retirement or on termination of employment; (ii) available methods of exercise or settlement of an award; (iii) payment of income, social insurance contributions and payroll taxes; (iv) the withholding procedures and handling of any indicia of ownership which vary with national or local requirements of foreign jurisdictions. The Committee may also adopt rules, procedures or sub-plans applicable to particular Affiliates or locations. The rules set forth in Schedule A to this Plan apply to any Participant who is a U.S. Taxpayer (as defined therein) and form a part of this Plan.

8.12 **Compliance with Laws**. The granting of Awards under the Plan shall be subject to: (i) all Applicable Laws, (ii) such approvals by all applicable Governmental Bodies, or (iii) such approvals by the TSX or any other applicable stock exchange on which the securities of the Corporation are listed, as may be required. The Corporation shall have no obligation to provide Awards of Share Units under the Plan prior to:

(a) obtaining any approvals from all Governmental Bodies that the Corporation determines in its sole discretion are necessary or advisable; and

(b) completion of any registration or other qualification of the Share Units (if applicable) under all Applicable Laws or all of the rulings of all applicable Governmental Bodies that the Corporation determines in its sole discretion to be necessary or advisable or at a time when any such registration or qualification is not current, has been suspended or otherwise has ceased to be effective.

The inability or impracticability of the Corporation to obtain or maintain authority from any Governmental Body having jurisdiction, which authority is deemed by the Corporation's counsel to be necessary to the lawful issuance and sale of any Share Units under the Plan shall relieve the Corporation of any liability in respect of the failure to issue or sell such Share Units as to which such requisite authority shall not have been obtained.

ARTICLE 9
EFFECTIVE DATE OF THE PLAN, TERM

9.1 **Effective Date of the Plan, Term.** The Plan shall be effective as of the date of its approval by the Board and required approval from the shareholders of the Corporation.

SCHEDULE A

PLAN PROVISIONS APPLICABLE TO U.S. TAXPAYERS

The provisions of this Schedule "A" apply to Share Units held by a U.S. Taxpayer to the extent such Share Units are subject to U.S. Taxation. The following provisions apply, notwithstanding anything to the contrary in the Plan. All capitalized terms used in this Schedule "A" and not defined herein, shall have the meaning attributed to them in the Plan.

"**Section 409A**" means Section 409A of the United States Internal Revenue Code and the regulations and authority promulgated thereunder.

"**U.S. Taxpayer**" shall mean any person who is a U.S. citizen, U.S. permanent resident, or other person who has been granted or is eligible to be granted a Deferred Share Unit under the Plan that is otherwise subject to U.S. taxation.

For the avoidance of doubt, nothing in Section 6.3 or Section 6.5 of the Plan shall result in the acceleration of payment/settlement of Awards, and Awards will be settled in accordance with Section 5.4 of the Plan on the first Business Day following the Vesting Date set forth in the applicable Award Agreement or determined by application of Sections 5.2(a) or (b) of the Plan.

Section 6.4 of the Plan is replaced in its entirety with the following:

> **6.4 Change of Control Termination**. If the employment of a Participant with the Corporation or with an Affiliate is affected by a Change of Control Termination that occurs following a Change of Control that meets the definition of "change in control event" within the meaning of Section 409A, all unvested Awards shall vest immediately upon the Change of Control Termination, provided that such Change in Control Termination also constitutes a "separation from service" within the meaning of Section 409A. In such case the Participant shall be entitled to the benefits of such Awards as though the Vesting Date is the date of such Change of Control Termination. For the purposes of this paragraph, all Performance Criteria with respect to any Performance Share Units shall be deemed to have been met at target on the relevant Vesting Date. Notwithstanding the foregoing, if any U.S. Taxpayer is determined to be a "specified employee" (as determined under Section 409A, in accordance with the Corporation's policies) at the time of the Change in Control Termination, then settlement of the Award shall not occur until the earlier of the date that is six (6) months following his or her separation from service and the Vesting Date set forth in the applicable Award Agreement or determined by application of Section 5.2(a) or (b) of the Plan. If a Change of Control Termination is not in connection with a Change of Control that meets the definition of "change in control event" within the meaning of Section 409A, all unvested Awards will become vested upon such Change of Control Termination in accordance with this Section 6.4, but payment/settlement will occur on the Vesting Date set forth in the applicable Award Agreement or determined by application of Sections 5.2(a) or (b), unless earlier payment/settlement is otherwise permitted under Section 409A.

Notwithstanding Sections 5.6 and 6.6, the exercise of the Committee's discretion will not result in a change in the time of settlement/payment of an Award. No provision of the Plan or amendment to the Plan may permit the acceleration or deferral of payments under the Plan to U.S. Taxpayers contrary to the provisions of Section 409A.

In the event of a termination of the Plan, no payments to U.S. Taxpayers shall be made, except on the schedule permitted by Section 409A.

All provisions of the Plan shall continue to apply to the U.S. Taxpayer to the extent they have not been specifically modified by this Schedule "A". In regard to a U.S. Taxpayer, the Committee shall interpret all Plan provisions in a manner that does not cause a violation of Section 409A.

SCHEDULE "D"

DSU PLAN

TITAN MEDICAL INC.

DEFERRED SHARE UNIT PLAN

ARTICLE 1 INTRODUCTION

1.1 Purpose

The purpose of this Deferred Share Unit Plan is to provide directors of Titan Medical Inc. (the "**Corporation**") with the opportunity to acquire Deferred Share Units (as defined herein) of the Corporation in order to allow them to participate in the long-term success of the Corporation and to promote a greater alignment of their interests with the interests of the Corporation's shareholders.

ARTICLE 2 INTERPRETATION

2.1 Definitions

For purposes of the Plan:

(a) "**Account**" means an account maintained by the Corporation for each Participant and which will be credited by means of a book-keeping entry with DSUs that are granted in accordance with the terms of this Plan and the DSU Agreements;

(b) "**Applicable Withholding Amounts**" is defined in Section 4.7(a) of the Plan;

(c) "**Black Out Period**" means the period of time when, pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain persons as designated by the Corporation, including any Participant that holds a DSU;

(d) "**Board**" means the Board of Directors of the Corporation as may be constituted from time to time;

(e) "**Cash Payment**" is defined in Section 4.7(a) of the Plan;

(f) "**Committee**" means the Compensation Committee of the Board or such other committee of the Board as may be appointed by the Board to administer the Plan, provided, however, that if no such committee is in existence at any particular time and the Board has not appointed another committee of the Board to administer the Plan, all references in the Plan to "Committee" shall at such time be in reference to the Board;

(g) "**Corporation**" means Titan Medical Inc. and includes any successor corporation;

(h) "**Deferred Share Unit**" or "**DSU**" means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with Article 4;

(i) "**Distribution Date**" is defined in Section 4.6 of the Plan;

(j) "**Distribution Value**" means, with respect to each Deferred Share Unit credited to a Participant's Account, the Fair Market Value per Share;

(k) "**Dividend Equivalents**" means a bookkeeping entry whereby each Deferred Share Unit is credited with the equivalent amount of the dividend paid on a Share in accordance with Section 4.3;

(l) "**Dividend Market Value**" means the Fair Market Value per Share on the dividend record date;

(m) "**DSU Agreement**" is defined in Section 5.11 of the Plan;

(n) "**Eligible Director**" means an individual who is, at the relevant time, a member of the Board;

(o) "**Exchange**" means the TSX or Nasdaq or, if the Shares are not then listed and posted for trading on the TSX or Nasdaq, such stock exchange on which such Shares are listed and posted for trading and on which the majority of the trading volume and value of such Shares occurs;

(p) "**Fair Market Value**" with respect to a Share, as at any date, means the weighted average of the prices at which the Shares traded on the TSX (or, if the Shares are not then listed and posted for trading on the TSX or are then listed and posted for trading on more than one stock exchange, on such stock exchange on which the majority of the trading volume and value of the Shares occurs) for the five (5) trading days on which the Shares traded on the said exchange immediately preceding such date. In the event that the Shares are not listed and posted for trading on any stock exchange, the Fair Market Value shall be the fair market value of the Shares as determined by the Board in its sole discretion, acting reasonably and in good faith;

(q) "**Insider**" has the meaning ascribed thereto in Part I of the TSX Company Manual, as amended from time to time;

(r) "**Nasdaq**" means the NASDAQ Stock Market LLC;

(s) "**Participant**" means an Eligible Director who is granted DSU's in accordance with Section 4.1 hereof;

(t) "**Payment Shares**" is defined in Section 4.8 of the Plan;

(u) "**Person**" means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, fund, organization or other group of organized persons, government, government regulatory authority, governmental department, agency, commission, board, tribunal, dispute settlement panel or body, bureau, court, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;

(v) "**Plan**" means this Deferred Share Unit Plan as amended, restated, supplemented or otherwise modified from time to time;

(w) "**Security Based Compensation Arrangement**" has the meaning ascribed thereto in Part VI of the TSX Company Manual, as amended from time to time;

(x) "**Separation Date**" means the earliest date on which the Participant is no longer a member of the Board of the Corporation nor is otherwise employed by the Corporation or any of its Subsidiaries in any fashion;

(y) "**Share**" means a common share of the Corporation or, in the event of an adjustment contemplated by Section 4.10, such other number or type of securities as the Committee may determine;

(z) "**Subsidiary**" has the meaning ascribed thereto in the *Securities Act* (Ontario);

(aa) "**TSX**" means the Toronto Stock Exchange; and

(bb) "**TSX Company Manual**" means the Toronto Stock Exchange Company Manual, as amended from time to time.

2.2 Interpretation

(a) Words in the singular include the plural and words in the plural include the singular. Words importing male persons include female persons, corporations or other entities, as applicable. The headings in this document are for convenience and reference only and shall not be deemed to alter or affect any provision hereof. The words "hereto", "herein", "hereby", "hereunder", "hereof" and similar expressions mean or refer to this document as a whole and not to any particular Article, Section, paragraph or other part hereof.

(b) Whenever the Board or, where applicable, the Committee or any sub-delegate of the Committee is to exercise discretion in the administration of the terms and conditions of this Plan, the term "discretion" means the sole and absolute discretion of the Board or the Committee or the sub-delegate of the Committee, as the case may be.

(c) Unless otherwise specified, all references to money amounts are to Canadian currency.

ARTICLE 3 ADMINISTRATION OF THE PLAN

3.1 Administration of the Plan

(a) Except for matters that are under the jurisdiction of the Board as specified under the Plan or as required by law and subject to Sections 3.1(b), this Plan will be administered by the Committee and the Committee has sole and complete authority, in its discretion, to:

(i) interpret and construe any provision hereof and decide all questions of fact arising in their interpretation;

(ii) adopt, amend, suspend and rescind such rules and regulations for administration of this Plan as the Board may deem necessary in order to comply with the requirements of this Plan, in order to conform to any law or regulation or to any change in any laws or regulations applicable thereto, or in order to ensure that the plan qualifies and remains qualified as a "prescribed plan or arrangement" for the purposes of the definition of "salary deferral arrangement" in the *Income Tax Act* (Canada);

(iii) exercise rights reserved to the Corporation under the Plan;

(iv) take any and all actions permitted by this Plan;

(v) prescribe forms for notices to be prescribed by the Corporation under the Plan; and

(vi) make any other determinations and take such other action in connection with the administration of this Plan that it deems necessary or advisable.

provided that the Committee shall not exercise its authority in a manner that would cause the Plan to cease to qualify as a "prescribed plan or arrangement" for the purposes of the definition of "salary deferral arrangement" in the *Income Tax Act* (Canada). The Committee's determinations and actions under this Plan are final, conclusive and binding on the Corporation, the Participants and all other Persons.

(b) To the extent permitted by applicable law, the Committee may, from time to time, delegate to any specified officer of the Corporation all or any of the powers of the Committee. In such event, the specified officer will exercise the powers delegated to it by the Committee in the manner and on the terms authorized by the Committee. Any decision made or action taken by the specified officer arising out of or in connection with the administration or interpretation of this Plan in this context is final, binding and conclusive on the Corporation, the Participants and all other Persons.

3.2 Determination of Value if Shares Not Publicly Traded

If the Shares are not publicly traded on the Exchange at the relevant time such that the Distribution Value and/or the Dividend Market Value cannot be determined in accordance with the definitions of those terms, such values shall be determined by the Committee acting in good faith, or in the absence of the Committee, by the Board acting in good faith.

3.3 Eligibility

Any individual who at the relevant time is an Eligible Director is eligible to participate in the Plan. Eligibility to participate does not confer upon any individual a right to receive an award of Deferred Share Units pursuant to the Plan.

3.4 Exemption from Plan Participation

Notwithstanding any other provision of the Plan, if a Participant is resident in a jurisdiction in which an award of Deferred Share Units under the Plan might be considered to be income which is subject to taxation at the time of such award, the Participant may elect not to participate in the Plan by providing a written notice to the Chief Financial Officer of the Corporation.

3.5 Discretionary Relief

Notwithstanding any other provision hereof, the Board may, in its sole discretion, waive any condition set out herein if it determines that specific individual circumstances warrant such waiver.

ARTICLE 4 DEFERRED SHARE UNITS

4.1 Grant of Deferred Share Units

(a) The Committee may, from time to time in its sole discretion, grant DSUs to Eligible Directors and upon such grant, such Eligible Directors shall become Participants in this Plan. In respect of each grant of DSUs, the Committee shall determine:

(i) the number of DSUs allocated to the Participant; and

(ii) such other terms and conditions of the DSUs applicable to each grant.

(b) The Corporation shall not make any grant of DSU's pursuant to the Plan unless and until such grant or issuance and delivery can be completed in compliance with all applicable laws, including requirements set out in the *Income Tax Regulations* (Canada) for the Plan to qualify as a "prescribed plan or arrangement" for the purposes of the definition of "salary deferral arrangement" in the *Income Tax Act* (Canada), and all other regulations, rules, orders of governmental or regulatory authorities and the requirements of all applicable stock exchanges upon which Shares are listed. The Corporation shall be obligated to take all reasonable action to comply with any such laws, regulations, rules, orders or requirements.

(c) Certificates will not be issued to evidence DSUs. Book entry accounts, to be known as the "**Deferred Share Unit Account**" shall be maintained by the Corporation for each Participant and will be credited with DSUs granted to a Participant from time to time.

(d) The term during which a DSU may be outstanding shall, subject to the provisions of this Plan requiring or permitting the acceleration or the extension of the term, be such period as may be determined from time to time by the Board or the Committee, but subject to the rules of any stock exchange or other regulatory body having jurisdiction.

4.2 Vesting

Deferred Share Units will be fully vested upon being granted and credited to a Participant's Account.

4.3 Credits for Dividends

A Participant's Account shall be credited with Dividend Equivalents in the form of additional Deferred Share Units as of each dividend payment date in respect of which normal cash dividends are paid on the Shares. Such Dividend Equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of Deferred Share Units recorded in the Participant's Account on the record date for the payment of such dividend, by (b) the Dividend Market Value, with fractions computed to three decimal places. The foregoing does not obligate the Corporation to declare or pay dividends on Shares and nothing in this Plan shall be interpreted as creating such an obligation.

4.4 Limits on Issuances

Notwithstanding any other provision of this Plan:

(a) the maximum number of Shares issuable pursuant to outstanding DSUs at any time shall be limited to 5% of the aggregate number of issued and outstanding Shares, provided that the maximum number of Shares issuable pursuant to outstanding DSUs and all other Security Based Compensation Arrangements, shall not exceed 15% of the Shares outstanding from time to time;

(b) the number of Shares issuable to Insiders, at any time, under all Security Based Compensation Arrangements, shall not exceed 15% of the issued and outstanding Shares; and

(c) the number of Shares issued to Insiders, within any one-year period, under all Security Based Compensation Arrangements, shall not exceed 15% of the issued and outstanding Shares.

For the purposes of this Section 4.4, any increase in the issued and outstanding Shares (whether as a result of the issue of Shares pursuant to DSUs or otherwise) will result in an increase in the number of Shares that may be issued pursuant to DSUs outstanding at any time. Further, if the acquisition of Shares by the Corporation for cancellation should result in the foregoing tests no longer being met, this shall not constitute non-compliance with this Section 4.4 for any awards outstanding prior to such purchase of Shares for cancellation.

DSUs that are cancelled, terminated or expire shall result in the Shares that were reserved for issuance thereunder being available for a subsequent grant of DSUs pursuant to this Plan to the extent of any Shares issuable thereunder that are not issued under such cancelled, terminated or expired DSUs.

Upon Cash Payment being made or Payment Shares being issued in settlement of DSUs, the number of Shares reserved for issuance in respect of such DSUs automatically become available to be made the subject of new DSUs, provided that the total number of Shares reserved for issuance under the Plan and all other Security Based Compensation Arrangements does not exceed 15% of the issued and outstanding Shares of the Corporation.

4.5 Reporting of Deferred Share Units

Statements of the Deferred Share Unit Accounts will be provided to Participants on an annual basis.

4.6 Distribution Date Election

A Participant shall have the right to receive Payment Shares or, upon the joint election of the Corporation and the Participant, Cash Payment or a combination of Cash Payment and Payment Shares in respect of Deferred Share Units recorded in the Participant's Account in accordance with Sections 4.7 or 4.8, on one of the following dates (the "**Distribution Date**"):

(a) on a date to be determined by the Corporation no later than 90 days following the Separation Date; or

(b) such later date as the Participant may elect by written notice delivered to the Chief Financial Officer of the Corporation prior to the Separation Date, provided that in no event shall a Participant be permitted to elect a date which is later than December 1st of the calendar year following the calendar year in which the Separation Date occurs.

4.7 Distribution of Deferred Share Units as Cash Payment

In the event the Corporation and the Participant jointly elect to settle Deferred Share Units by way of a Cash Payment:

(a) subject to and in accordance with Section 4.7(b), a Participant shall receive a payment equal in value to the number of Deferred Share Units recorded in the Participant's Account on the Distribution Date that the Corporation and the Participant jointly elect to settle by way of payment in cash multiplied by the Distribution Value of a Share on the Distribution Date (the "**Cash Payment**"). The Corporation is authorized to deduct from the Cash Payment an amount equivalent to the minimum amount of taxes and other minimum amounts as the Corporation may be required by law to withhold, as the Corporation determines (the "**Applicable Withholding Amounts**"). Upon payment in full of the value of the Deferred Share Units, less the Applicable Withholding Amounts, the Deferred Share Units shall be cancelled, and no further payments shall be made to the Participant under the Plan; and

(b) the Cash Payment less any Applicable Withholding Amounts, will be paid to the Participant in cash within ten (10) business days after the Distribution Date, or in the event of the Participant's death, his beneficiary or legal representative in accordance with Section 4.9 herein.

4.8 Distribution of Deferred Share Units in Payment Shares

Subject to Section 4.7, Deferred Share Units shall be settled by the issuance of Payment Shares as follows:

(a) The Corporation shall within 10 business days after the Distribution Date issue to the Participant a number of treasury Shares equal to the number of Deferred Share Units in the Participant's Account that became payable on the Distribution Date (the "**Payment Shares**").

(b) Subject to Section 4.12 of this Plan, as a condition to the issue of treasury Shares in settlement of any Deferred Share Units, the Corporation may require the Participant to first pay to the Corporation, or the Corporation may deduct, an amount equivalent to the Applicable Withholding Amounts or the Corporation may take such other steps as it considers to be necessary or appropriate, including the sale of Payment Shares on behalf of the Participant, in order to provide to the Corporation the Applicable Withholding Amounts. The Corporation shall advise the Participant in writing of any Applicable Withholding Amounts required in connection with the issue of Shares in settlement of Deferred Share Units.

(c) The Corporation shall not be required to issue or cause to be delivered treasury Shares or issue or cause to be delivered certificates evidencing Shares to be delivered in settlement of any DSUs, unless and until such issuance and delivery can be completed in compliance with the applicable laws, regulations, rules, orders of governmental or regulatory authorities and the requirements of all applicable stock exchanges upon which Shares are listed. The Corporation shall be obligated to take all reasonable action, on a timely basis, to comply with any such laws, regulations, rules, orders, or requirements.

(d) If Shares may not be issued pursuant to any DSUs due to any Black Out Period, such Share issuance shall occur seven business days following the end of the Black-Out Period (or such longer period as permitted by applicable regulatory authorities and approved by the Committee).

(e) No fractional Shares shall be issued upon the settlement of DSUs. If a Participant would otherwise become entitled to a fractional Share upon the settlement of a DSU, such Participant shall only have the right to receive the next lowest whole number of Shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

(f) All Payment Shares issued to Persons in the United States pursuant to the Plan will be issued pursuant to the registration requirements of the United States Securities Act of 1933, as amended, or an exemption from such registration requirements.

4.9 Death of Participant Prior to Distribution

Upon the death of a Participant prior to the distribution of the Deferred Share Units credited to the Account of such Participant under the Plan, Payment Shares or, upon the joint election of the Corporation and the executor or administrator of the Participant's estate, Cash Payment or a combination of Cash Payment and Payment Shares shall be issued or paid to the estate of such Participant on or about the thirtieth (30th) day after the Corporation is notified of the death of the Participant or on a later date elected by the Participant's estate in the form prescribed for such purposes by the Corporation and delivered to the Chief Financial Officer of the Corporation not later than twenty (20) days after the Corporation is notified of the death of the Participant, provided that such elected date is no later than the last business day of the calendar year following the calendar year in which the Participant dies so that payment can be made on or before such last business day. Any Cash Payment shall be equivalent to the amount which would have been paid to the Participant pursuant to and subject to Section 4.7, calculated on the basis that the day on which the Participant dies, or the date elected by the estate, as applicable, is the Distribution Date. Upon settlement under this Section 4.9 of the Deferred Share Units credited to the Account of a Participant, subject to any Applicable Withholding Amounts, the Deferred Share Units shall be cancelled, and no further distributions or payments will be made from the Plan in relation to the Participant.

4.10 Adjustments to Deferred Share Units

In the event: (a) of any change in the Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise; or (b) that any rights are granted to all or substantially all shareholders to purchase Shares at prices substantially below Fair Market Value as of the date of grant (other than the payment of dividends in respect of the Shares as contemplated by Section 4.3); or (c) that, as a result of any recapitalization, merger, consolidation or other transaction, the Shares are converted into or exchangeable for any other securities or property, then the Board may make such adjustments to this Plan, the Account of each Participant, the DSU Agreements and the Deferred Share Units outstanding under this Plan as the Board may, in its sole discretion, consider appropriate in the circumstances to prevent dilution or enlargement of the rights granted to Participants hereunder and\or to provide for the Participants to receive and accept such other securities or property in lieu of Shares, and the Participants shall be bound by any such determination.

4.11 U.S. Taxpayers

The rules set forth in Schedule A to this Plan apply to any Participant who is a U.S. Taxpayer (as defined therein) and form a part of this Plan.

4.12 Taxes

(a) A Participant shall be solely responsible for reporting and paying income tax payable in respect of any Cash Payment or Shares received by the Participant under this Plan. The Corporation will provide each Participant who is resident in Canada with (or cause each Participant to be provided with) a T4 slip or such information return as may be required by applicable law to report income, if any, arising upon the grant or exercise of rights under this Plan by a Participant who is resident in Canada for income tax purposes.

(b) Further to Section 4.8(b) of this Plan, the Corporation shall have the power and the right to deduct or withhold, or require (as a condition of exercise) a Participant to remit to the Corporation, the Applicable Withholding Amounts to satisfy, in whole or in part, federal, provincial, and local taxes, domestic or foreign, required by law to be withheld with respect to any taxable event arising as a result of this Plan, including the grant or exercise of Deferred Share Units granted under this Plan. With respect to Applicable Withholding Amounts, the Corporation shall have the irrevocable right to (and the Participant consents to the Corporation) setting off any amounts required to be withheld, in whole or in part, against amounts otherwise owing by the Corporation to such Participant (whether arising pursuant to the Participant relationship as an officer or employee of the Corporation or as a result of the Participant providing services on an ongoing basis to the Corporation or otherwise), or may make such other arrangements as are satisfactory to the Participant and the Corporation. In addition, the Corporation may elect, in its sole discretion, to satisfy the Applicable Withholding Amounts, in whole or in part, by withholding such number of Payment Shares as it determines are required to be sold by the Corporation, as trustee, to satisfy the Applicable Withholding Amounts net of selling costs (which costs shall be the responsibility of the Participant and which shall be and are authorized to be deducted from the proceeds of sale). The Participant consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Payment Shares and acknowledges and agrees that the Corporation does not accept responsibility for the price obtained on the sale of such Payment Shares. Any reference in this Plan to the issuance of Payment Shares or a payment of cash is expressly subject to this paragraph 4.12(b).

ARTICLE 5 GENERAL

5.1 Amendment, Suspension, or Termination of Plan

(a) The Board may amend, suspend or discontinue this Plan or amend any DSU or DSU Agreement at any time without the consent of a Participant, provided that such amendment shall not adversely alter or impair the rights of any Participant in respect of any DSU previously granted to such Participant under the Plan, except as otherwise permitted hereunder. In addition, the Board may, by resolution, amend this Plan and any DSU granted under it (together with any related DSU Agreement) without shareholder approval, provided however, that at any time while the Shares are listed for trading on the TSX, the Board will not be entitled to amend this Plan or any DSU granted under it (together with any related DSU Agreement) without shareholder and, if applicable, TSX approval: (i) to increase the maximum number of Shares issuable pursuant to this Plan; (ii) to permit the assignment or transfer of a DSU other than as provided for in this Plan; (iii) to add to the categories of persons eligible to participate in this Plan; (iv) to remove or amend Section 4.4(b) or Section 4.4(c); (v) to remove or amend this Section 5.1(a); or (vi) in any other circumstances where TSX and shareholder approval is required by the TSX.

(b) Without limitation of Section 5.1(a), the Board may correct any defect or supply any omission or reconcile any inconsistency in this Plan in the manner and to the extent deemed necessary or desirable, may establish, amend, and rescind any rules and regulations relating to this Plan, and may make such determinations as it deems necessary or desirable for the administration of this Plan.

(c) If the Board terminates or suspends the Plan, previously credited DSUs will remain outstanding and in effect in accordance with the terms of the Plan. If DSUs remain outstanding after Plan termination or suspension, such DSUs shall not be entitled to Dividend Equivalents unless at the time of termination or suspension the Committee determines that the entitlement to Dividend Equivalents after termination or during suspension, as applicable, should be continued. Subject to the foregoing sentence, if the Board terminates or suspends the Plan, no new Deferred Share Units will be credited to the Account of a Participant.

(d) The Board shall not require the consent of any affected Participant in connection with a termination of the Plan in which Payment Shares are issued to the Participant in respect of all such Deferred Share Units.

5.2 Compliance with Laws

The administration of the Plan shall be subject to and made in conformity with all applicable laws and any applicable regulations of a duly constituted regulatory authority. Should the Committee, in its sole discretion, determine that it is not feasible or desirable to carry out a distribution of Deferred Share Units due to such laws or regulations, its obligation shall be satisfied by means of an equivalent cash payment (equivalence being determined on a before-tax basis). If the Committee determines that the listing, registration or qualification of the Shares subject to this Plan upon any securities exchange or under any provincial, state, federal or other applicable law, or the consent or approval of any governmental body or stock exchange is necessary or desirable, as a condition of, or in connection with, the crediting of DSUs or the issue of Payment Shares hereunder, the Corporation shall be under no obligation to credit DSUs or issue Payment Shares hereunder unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

5.3 Reorganization of the Corporation

The existence of any Deferred Share Units shall not affect in any way the right or power of the Corporation or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation's capital structure or its business, or to create or issue any bonds, debentures, shares or other securities of the Corporation or to amend or modify the rights and conditions attaching thereto or to effect the dissolution or liquidation of the Corporation, or any amalgamation, combination, merger or consolidation involving the Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

5.4 Assignment

Rights and obligations under the Plan may be assigned by the Corporation to a successor in the business of the Corporation, any company resulting from any amalgamation, reorganization, combination, merger or arrangement of the Corporation, or any company acquiring all or substantially all of the assets or business of the Corporation.

5.5 DSUs Non-Transferable

Except as required by law, the rights of a Participant hereunder are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant.

5.6 Participation is Voluntary; No Additional Rights

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or service nor a commitment on the part of the Corporation to ensure the continued employment or service of such Participant. Nothing in this Plan shall be construed to provide the Participant with any rights whatsoever to participate or continue participation in this Plan or to compensation or damages in lieu of participation, whether upon termination of service as an Eligible Director or otherwise. The Corporation does not assume responsibility for the personal income or other tax consequences for the Participants and they are advised to consult with their own tax advisors.

5.7 No Shareholder Rights

Under no circumstances shall Deferred Share Units be considered Shares or other securities of the Corporation, nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Shares or other securities of the Corporation, nor shall any Participant be considered the owner of Shares by virtue of the award of Deferred Share Units.

5.8 Unfunded and Unsecured Plan

Unless otherwise determined by the Board, the Plan shall be unfunded and the Corporation will not secure its obligations under the Plan. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Deferred Share Units under the Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Corporation.

5.9 Market Fluctuations

No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Corporation makes no representations or warranties to Participants with respect to the Plan or the Shares whatsoever. In seeking the benefits of participation a Participant agrees to accept all risks associated with a decline in the market price of Shares.

5.10 Participant Information

Each Participant shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer the Plan. Each Participant acknowledges that information required by the Corporation in order to administer the Plan may be disclosed to the Board and other third parties in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Corporation to make such disclosure on the Participant's behalf.

5.11 DSU Agreement

To acquire DSUs, a Participant shall enter into an agreement with the Corporation in such form as determined by the Board from time to time (the "**DSU Agreement**"), within such time period and in such manner as specified by the Board. If a DSU Agreement is not entered into within the time and manner specified, the Corporation reserves the right to revoke the crediting of DSUs to the Participant's Account.

5.12 Currency

All amounts paid or values to be determined under this Plan shall be in Canadian dollars unless stated otherwise.

5.13 Effective Date of the Plan

This Plan becomes effective on a date to be determined by the Board.

5.14 Governing Law

The Plan shall be governed by, and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein, without regard to principles of conflict of laws.

APPROVED by the Board this 29 day of April, 2019.

SCHEDULE A

PLAN PROVISIONS APPLICABLE TO U.S. TAXPAYERS

The provisions of this Schedule "A" apply to Deferred Share Units held by a U.S. Taxpayer to the extent such Deferred Share Units are subject to U.S. Taxation. The following provisions apply, notwithstanding anything to the contrary in the Plan. All capitalized terms used in this Schedule "A" and not defined herein, shall have the meaning attributed to them in the Plan.

"**Section 409A**" means Section 409A of the United States Internal Revenue Code and the regulations and authority promulgated thereunder.

"**Separation Date**" shall mean the date on which the Participant incurs a "separation from service" within the meaning of Section 409A.

"**U.S. Taxpayer**" shall mean any person who is a U.S. citizen, U.S. permanent resident, or other person who has been granted or is eligible to be granted a Deferred Share Unit under the Plan that is otherwise subject to U.S. taxation.

1. Notwithstanding Section 3.4 of the Plan, each election by a U.S. Taxpayer not to participate in the Plan or to decline participation for a particular year, must be irrevocably made not later than the end of the calendar year prior to the year for which the Deferred Share Units are granted. Notwithstanding the prior sentence, for U.S. Taxpayers who become Eligible Directors for the first time in any calendar year, an election pursuant to Section 3.4 may be made at any time within 30 days after an initial grant of DSUs is made to such Eligible Director. Such election shall only be effective with respect to DSU grants made after the written notice described in Section 3.4 has been received by the Chief Financial Officer of the Corporation.

2. Notwithstanding Section 4.6 of the Plan, the following procedure shall be used to determine a Distribution Date for Deferred Share Units that are subject to this Schedule A.

    (a) An Eligible Director who is a U.S. Taxpayer shall have the right to elect, at his or her option, to receive the distribution of all amounts credited to his or her Deferred Share Unit Account on any date (the "**Distribution Date**") within the period commencing on his or her Separation Date, and ending on December 1, of the first calendar year following the year in which the Separation Date occurs. Such election shall be made by written notice delivered to the Chief Financial Officer of the Corporation not later than the end of the calendar year prior to the year for which the Deferred Share Units are granted. If no election is made, the Distribution Date shall be the Separation Date, subject to clause (b) below.

    (b) Notwithstanding the foregoing, if any U.S. Taxpayer is determined to be a "specified employee" (as determined under Section 409A, in accordance with the Corporation's policies) at the Separation Date, then the Distribution Date shall not be earlier than the date that is six (6) months following his or her Separation Date.

3. Notwithstanding Section 4.8(d) of the Plan (and except as required pursuant to Section 2(b) of this Schedule A), the issuance of Shares shall not be delayed beyond the end of the year in which the Distribution Date occurs, or, if later, the date that is 2 ½ months after the Distribution Date, unless the Committee reasonably anticipates that the issuance of Shares would violate federal securities laws of other applicable laws, in which case Shares will be issued at the earliest date at which the Committee reasonably anticipates that issuance of Shares would not cause such violation.

4. Notwithstanding Section 4.9 of the Plan or any election by the Participant of a Distribution Date, upon the death of a Participant prior to the distribution of his or her Deferred Share Unit Account, an issuance of Payment Shares or, upon the joint election of the Corporation and the executor or administrator of the Participant's estate, a Cash Payment or a combination of Cash Payment and Payment Shares shall be issued or paid to the estate of such Participant on the first business day that occurs following 90 days after the Participant's date of death and such date will be the Distribution Date. No election of an alternative payment date by the estate or beneficiary shall be permitted.

5. Notwithstanding anything to the contrary in the Plan, no consent to an amendment, suspension or termination that adversely affects the Deferred Share Units previously granted to a U.S. Taxpayer under Section 409A shall be required if such amendments are considered by the Committee, on the advice of counsel, to be necessary or desirable in order to avoid adverse U.S. tax consequences to the U.S. Taxpayer.

No provision of the Plan or amendment to the Plan may permit the acceleration of payments under the Plan to U.S. Taxpayers contrary to the provisions of Section 409A.

In the event of a termination of the Plan, no payments to U.S. Taxpayers shall be made, except on the schedule permitted by Section 409A.

All provisions of the Plan shall continue to apply to the U.S. Taxpayer to the extent they have not been specifically modified by this Schedule "A". In regard to a U.S. Taxpayer, the Committee shall interpret all Plan provisions in a manner that does not cause a violation of Section 409A.

6. Restrictions on Deferred Share Units of Certain Dual Taxpayers. Notwithstanding anything in the Plan to the contrary, if the Deferred Share Units of a U.S. Taxpayer are subject to tax under both the income tax laws of Canada and the income tax laws of the United States, the following special rules regarding forfeiture will apply. For greater clarity, these forfeiture provisions are intended to avoid adverse tax consequences under Section 409A and/or under paragraph 6801(d) of the regulations under the Income Tax Act (Canada) (the "ITA"), that may result because of the different requirements as to the time of redemption of Deferred Share Units (and thus the time of taxation) with respect to a U.S. Taxpayer's "Separation from Service" under Section 409A and the U.S. Taxpayer's Separation Date (under Canadian tax law). The intended consequence of this Section 6 of this Schedule A is that payments to such U.S. Taxpayer in respect of Deferred Share Units will only occur if such U.S. Taxpayer experiences both a Separation from Service under Code Section 409A and a termination or loss of office within the meaning of paragraph 6801(d) of the regulations under the ITA. If such a U.S. Taxpayer does not experience both a Separation from Service and a termination or loss of office within the meaning of paragraph 6801(d) of the ITA, such Deferred Share Units shall instead be immediately and irrevocably forfeited, including, but not limited to, the following situations:

(a) a U.S. Taxpayer experiences a Separation from Service as a result of ceasing to be a member of the Board of the Corporation (and any related entity that is considered the same service recipient under Code Section 409A), but such U.S. Taxpayer continues providing services as an employee of the Corporation or a corporation related to the Corporation within the meaning of the ITA such that no Separation Date has occurred; and

(b) an Eligible Director who is a U.S. Taxpayer experiences a termination or loss of office for any reason such that a Separation Date occurs, but continues to provide services to the Corporation (or any related entity that is considered the same service recipient under Code Section 409A) as an independent contractor such that he has not experienced a Separation from Service.