TITAN MEDICAL INC.

ANNUAL INFORMATION FORM

For the fiscal year ended December 31, 2014

March 31, 2015

TITAN MEDICAL INC.
ANNUAL INFORMATION FORM

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CORPORATE STRUCTURE

Titan Medical Inc. ("Titan" or the "Company" or "we") is the successor corporation formed pursuant to two separate amalgamations (the "Amalgamations") under the *Business Corporations Act* (Ontario) on July 28, 2008. The registered office of Titan is located at 170 University Avenue, Suite 1000, Toronto, Ontario M5H 3B3. Titan's main telephone number is (416) 548-7522. Titan does not have any subsidiaries. All currency amounts in this annual information form are in U.S. dollars unless otherwise indicated.

The following is a brief description of the Amalgamations:

Synergist Medical Inc. ("Synergist"), Titan Medical Inc. (formerly, 2174656 Ontario Limited) ("Newco") and KAM Capital Corp. ("KAM") entered into an amalgamation agreement on June 23, 2008, pursuant to which on July 28, 2008 Synergist amalgamated with Newco, a wholly-owned subsidiary of KAM, to form a new corporation called Titan Medical Inc. ("Amalco"). Thereafter, Amalco amalgamated with KAM pursuant to a vertical amalgamation to form a new corporation called Titan Medical Inc.

Synergist was incorporated on July 5, 2002 and commenced operations on May 31, 2006 for the purpose of developing next generation surgical robotic technology. KAM was incorporated on November 28, 2007 and filed and obtained a receipt for a final prospectus from certain Canadian securities regulatory authorities in compliance with the TSX Venture Exchange's ("TSX-V") Policy on Capital Pool Companies ("CPC Policy"). Newco was formed as a special purpose wholly-owned subsidiary of KAM incorporated for the purpose of effecting the Amalgamations. The Amalgamations constituted the Qualifying Transaction of KAM under the CPC Policy.

Effective January 1, 2014, the Company changed its functional and presentation currency from the Canadian dollar to the U.S. dollar, applied on a prospective basis in accordance with IAS 21. This change reflects the continuing increase in the Company's costs being incurred in U.S. dollars, a trend which is expected to continue in the foreseeable future.

On September 30, 2014, Titan graduated to the TSX and de-listed from the TSX-V.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This annual information form and the documents incorporated by reference herein contain "forward-looking information" concerning anticipated developments and events which the Company has a reasonable basis to believe may occur in the future. These forward-looking statements are made as of the date of this annual information form or, in the case of documents incorporated by reference herein, as of the date of such documents. These forward- looking statements may concern anticipated developments in the Company's operations in future periods, the adequacy of the Company's financial resources and other events or conditions that may occur in the future. Forward-looking statements are frequently, but not always, identified by words such as "expects", "expectation", "anticipates", "believes", "intends", "estimates", "predicts", "potential", "targeted", "plans", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. These forward-looking statements include, without limitation, statements about the Company's market opportunities, strategies, competition, expected milestones for research and development, regulatory approval, commercialization and commercial launch and expenditures as the Company pursues its business plan, the adequacy of the Company's available cash resources and other statements about future events, conditions or results. Forward-looking statements are statements about the future and are inherently uncertain, and actual results of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, such as the current global financial conditions, dependence on key personnel, conflicts of interest, additional financing, strategic alliances, uncertainty as to product development and commercialization milestones, results of operations, competition, technological advancements, rapidly changing markets, uncertain market, uncertain acceptance of the company's technology, intellectual property, infringement of intellectual property rights, insurance and uninsured risks, product and services not completely developed, ability to license other intellectual property rights, government regulation, changes in government policy, changes in accounting and tax rules, regulatory inquiries, contingent liabilities, manufacturing, product defects, profitability, supplier, limited history of earnings, stock price volatility and future share sales, limited operating history, fluctuating financial results, currency fluctuations, including, without limitation, those

referred to and incorporated by reference in this annual information form under the heading "Risk Factors". Although the Company has attempted to identify important factors (which it believes are reasonable) that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Such statements are based on a number of assumptions which may prove to be incorrect. Other than as specifically required by law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results or otherwise.

DEVELOPMENT OF THE BUSINESS

The Company's activities over the last three years have focused on developing its technology, developing strategic relationships, securing its intellectual property, developing its scientific and technical capabilities and knowledge base, and raising equity capital.

The Company's technology development is focussed on the development of a robotic system for minimally invasive surgery. As discussed below under "Description of the Business", the Company's technology development has progressed from initial research and development of aspects of the Company's robotic surgical system to the completion of an Alpha commercial prototype of the Company's SPORT™ Surgical System and completion of tissue testing. The Company completed the development of its functional prototype in August 2013 and it is currently working towards completion of a clinical/commercial prototype suitable for human clinical trials.

The Company has put in place an experienced executive management team and recruited a team of respected medical professionals to serve as its Surgeon Advisory Board, and carries out substantially all of its technology development work for the SPORT™ Surgical System through external medical technology development firms.

The Company has entered into exclusive in-licensing relationships with several companies including Live Data, Inc., for its LiveData RTI Server technology, the Mayo Foundation for Medical Education and Research for a surgical stapler delivery system and Columbia University for a single-port robotic surgical system for use in single-port surgery.

The Company's financing activities over the last three completed fiscal years have included:

- In March 2012, the Company completed a prospectus qualified offering of 1,986,755 units for gross proceeds of U.S.$2,820,600. Each unit consisted of one common share and one warrant. Each warrant entitles the holder thereof to purchase one additional share for CDN$1.77 and will expire on March 12, 2017.

- In March 2013, the Company completed a prospectus qualified offering of 6,260,763 units for gross proceeds of U.S.$6,180,684. Each unit consisted of one common share and one warrant. Each warrant entitles the holder thereof to purchase one additional common share for CDN$1.25 and will expire on March 13, 2018.

- In February 2014, the Company completed a prospectus qualified offering of 9,142,500 units for gross proceeds of U.S.$11,588,677. Each unit consisted of one common share and one warrant. Each warrant entitles the holder thereof to purchase one additional common share for CDN$2.00 and will expire February 19, 2017.

- In April 2014, the Company completed a prospectus qualified offering of 12,203,189 units for gross proceeds of U.S.$23,232,936. Each unit consisted of one common share and one warrant. Each warrant entitles the holder thereof to purchase one additional common share for CDN$2.75 and will expire April 23, 2017.

DESCRIPTION OF THE BUSINESS

Product Development

The Company's business continues to be at a development stage and is focused on the research and development of robotic surgical technologies for application in minimally invasive surgery ("MIS"). The Company is currently developing the SPORT™ (Single Port Orifice Robotic Technology) Surgical System, a single-port/single-incision robotic surgical system. The SPORT™ Surgical System comprises a surgeon-controlled robotic platform that includes a 3D high definition vision system and multi-articulating instruments for performing MIS procedures, and a surgeon workstation that provides the surgeon with an interface to the robotic platform and also provides a 3D endoscopic view of inside a patient's body during MIS procedures. Development of the SPORT™ Surgical System is proceeding in response to "voice of customer" feedback and in consultation with medical technology development firms engaged by the Company and the Company's Surgeon Advisory Board comprising industry-leading surgeons. The Company aims to pursue a broad set of surgical indicators for the SPORT™ Surgical System, including general abdominal, gynecologic and urologic procedures.*

The Company has completed research and early development of the critical components of the SPORT™ Surgical System including multi-articulating instruments with multiple degrees of freedom of movement, a custom designed 3D high definition vision system capable of motorized pan and tilt, and surgeon controls that allow the user to control the instruments through movements of the surgeon controllers.

In addition to development of robotic surgical technologies, the Company continues to explore in-licensing opportunities for technologies that may be used in conjunction with the Company's surgical system under development.* In 2012, the Company entered into an exclusive license agreement with Columbia University for a robotic surgical technology for use in single-port surgery. The Company has exclusive license rights for the development and commercialization of the licensed technology. This technology has formed the basis of the SPORT™ Surgical System.

The SPORT™ Surgical System is being developed with the goal of inserting the multi-articulating instruments and the 3D high definition vision system into the patient's body cavity through a single incision.* The design presently contemplates a collapsible device that, when collapsed, would be capable of being inserted into the patient's body cavity through a skin incision of approximately 25mm. Once inserted, the device is configured to deploy into a working configuration wherein the 3D high definition vision system and multi-articulating instruments can be controlled by a surgeon at the workstation.

The Company continuously evaluates its technologies under development for intellectual property protection through a combination of trade secrets and patent application filings. As of December 31, 2014, the Company had ownership of seven U.S. patents and ten patent applications filed in the U.S. or under the Patent Cooperation Treaty (PCT). Additionally, the Company holds exclusive rights to one patent and four patent applications presently pending before patent offices in the U.S., Canada or Europe. The Company anticipates expanding its patent portfolio by filing patent applications as it progresses in the development of robotic surgical technologies and by licensing suitable technologies.*

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

Among other things, the future success of the Company is substantially dependent on a continued research and development program.* In addition to being capital intensive, research and development activities relating to

* This sentence constitutes a forward-looking statement. See "Caution Regarding Forward-Looking Statements" above.

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

Development Objectives

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

The Company's current plan is to focus on the development and commercialization of the SPORT™ Surgical System at estimated incremental costs, and according to the timeline, as set forth in the table below.* As of December 31, 2014, the Company has completed its alpha commercial prototype as well as tissue testing using components of the SPORT™ Surgical System.

Based on "voice of customer" feedback and consultations with the medical technology development firms engaged by the Company and the Surgeon Advisory Board, the Company has decided to build additional prototypes and develop more advanced instruments and training systems for expanded use for additional surgical procedures.* The Company is pursuing a broad set of surgical indications including general abdominal, gynecologic and urologic procedures for the SPORT™ Surgical System.*

Development Milestone	***Estimated Cost (in U.S. $)****	***Schedule for Milestone Completion****	***Comments***
Alpha commercial prototype design complete (Design of prototype suitable for ongoing tissue testing)	-	Q1 2014	*Completed*
Alpha commercial prototype built	-	Q2 2014	*Completed*
Tissue testing (Testing performance of individual features and functionality)	-	Q2 2014	*Completed*
Design and test of feasibility prototype complete (Demonstrate feasibility for next generation console and advanced instruments)	$11 million	Q1 2015 *Expected*	Proves feasibility to build and reflects expanded use of SPORT™ Surgical System
Units built and ready for engineering verification (Prototype is formally tested to meet previously defined specifications)	$17 million	Q4 2015 *Expected*	Prototype units enable validation of expanded use
Early human feasibility report complete (Human clinical cases utilizing units are tested under engineering verification) **Audit for CE Mark approval commenced**	$10 million (2 milestones)	Q2 2016 *Expected* Q2 2016 *Expected*	First "in human" studies confirm capabilities of SPORT™ Surgical System for expanded use
Pivotal Human clinical trial commenced	$3 million	Q3 2016 *Expected*	

* This sentence constitutes a forward-looking statement. See "Caution Regarding Forward-Looking Statements" above.

Development Milestone	***Estimated Cost (in U.S. $)****	***Schedule for Milestone Completion****	***Comments***
Pivotal Human clinical trial completed and 510(k) application submitted to FDA	$3 million (3 milestones)	Q4 2016 *Expected*	
Outside U.S. commercial launch (Pending CE Mark approval)		Q4 2016 *Expected*	
U.S. commercial launch (Pending 510(k) market clearance)		Mid-2017 *Expected*	
TOTAL	**$44 million**		

Upon completion of the development of the SPORT™ Surgical System and following receipt of all applicable regulatory approvals in the United States, Europe, and/or Asia, the Company intends to utilize a direct sales force and/or distribution partner(s) to initiate marketing the SPORT™ Surgical System to hospitals.*

Due to the nature of technology research and development, there is no assurance that these objectives will be achieved, and there can be no assurance with respect to the time or resources that may be required. The Company expects that additional specific milestones could be identified as the development of its SPORT™ Surgical System progresses.* The total costs to complete the development of the Company's SPORT™ Surgical System as referenced above are only an estimate based on current information available to the Company and cannot yet be determined with a high degree of certainty, and the costs may be substantially higher than estimated.

Market Opportunity

The Company is focused on the design and development of a surgical robot for use during minimally invasive surgery ("MIS"). The SPORT™ Surgical System, which is currently under development, is a surgeon-controlled robotic platform that includes a 3D high definition vision system and multi-articulating instruments for performing MIS procedures. The surgeon workstation provides the surgeon with an interface to the robotic platform for controlling the instruments inside a patient's body. The Company intends for the SPORT™ Surgical System to be used in both simple and complex areas of general abdominal, gynecologic, and urologic indications.

The Company's robotic surgical system is being designed to address the growing robotic surgery market. The size of the market for robotic surgical systems is estimated by Grand View Research to grow to $17.9 billion by 2020. See Grand View's report dated October 20, 2014, which may be obtained at www.grandviewresearch.com. *

Robotic Surgery

Today's medical surgery industry is built on a combination of mature and evolving surgical techniques that use evolving technology to perform both simple and complex surgery. Currently, the main form of surgery is open surgery. Although performed on a daily basis, open surgery requires large incisions, posing several problems to both the patient and hospital. The increased trauma to the patient causes both recovery times and hospitalization stays to be longer and more expensive. Also, larger incisions cause more pain and scarring than minimally invasive surgical techniques. Minimally invasive surgery ("MIS") has been evolving over the past 20 years and has reduced trauma to the patient thus resulting in fewer complications, reduced hospital stays and shorter patient recovery times. Techniques used in MIS are performed through small ports rather than large incisions that exist in open surgery. However, the acceptance of MIS has not increased in more complex surgery.

* This sentence constitutes a forward-looking statement. See "Caution Regarding Forward-Looking Statements" above.

The shortcomings of both open surgery and MIS have led to the introduction of robots within the surgical industry. Robotic surgical technologies represent the next generation in the evolution of surgical procedure. The objectives of robotic platforms are to provide surgeons with tools to allow complex procedures to be performed repeatedly with greater precision, while offering improved vision and control. The use of robots is intended to empower surgeons to employ improved techniques and assist in reducing the risks associated with complex surgeries.

Market Acceptance

To date, robotic surgical technologies have been employed in urology, gynecology, colon and rectal surgery, cardiothoracic surgery, general surgery, head and neck surgery, orthopedic surgery, neurosurgery, and catheter-based interventional cardiology and radiology.

The success of robotic technologies in these applications has led to the growing adoption and commercialization of these technologies in the medical industry. Although robotic surgical procedures have been gaining substantial acceptance, the industry is still in its infancy. The technology available is becoming more sophisticated in order to overcome technical hurdles that are currently encountered. The end objective is to overcome the limitations of fixed port access, limited dexterity and visualization.*

Competitive Conditions

The industry leader within the robotic surgical market is Intuitive Surgical, Inc. (NASDAQ: ISRG), maker of the da Vinci® Surgical System. TransEnterix Inc. (NYSE: TRXC) is a medical device company that is reportedly scheduled to come to market in mid-2015 with Surgibot, a motorized laparoscopic platform that is expected to be capable of patient-side minimally invasive procedures. In addition, there are a number of companies reported to be currently using or planning to use robots and computers in surgery, including, among others, SOFAR S.p.A. and Meere Company Inc.* Any company with substantial experience in industrial robotics could potentially expand into the field of surgical robotics and become a potential competitor.

Regulation

United States Regulatory Process

In the United States, the Company's surgical system will be subject to regulation by the United States Food and Drug Administration ("FDA"). Management expects that under the FDA guidelines, the surgical system will be classified as a Class II medical device.* Class II devices are those which are subject to the general controls and require premarket demonstration of adherence to certain performance standards or other special controls, as specified by the FDA, and clearance by the FDA. Premarket review and clearance by the FDA for these devices is accomplished through the 510(k) premarket notification process. For most Class II devices, the manufacturer must submit to the FDA a premarket notification submission, demonstrating that the device is "substantially equivalent" in intended use and technology to a "predicate device" that is either:

(1) a device that has grandfather marketing status because it was legally marketed prior to May 28, 1976, the date upon which the Medical Device Amendments of 1976 were enacted, or

(2) a Class I or II device that has been cleared through the 510(k) process.

The FDA may require further information, including clinical data, to make a determination regarding substantial equivalence. If the FDA determines that the device, or its intended use, is not "substantially equivalent" (as such term is defined by the FDA), the FDA will place the device, or the particular use of the device, into Class III, and the device sponsor must then fulfill much more rigorous pre-marketing requirements.

* This sentence constitutes a forward-looking statement. See "Caution Regarding Forward-Looking Statements" above.

After a device receives 510(k) clearance, any modification that could significantly affect its safety or effectiveness, or that would constitute a major change in its intended use, requires a new 510(k) clearance or could require a pre-market approval application. The FDA requires each manufacturer to make this determination in the first instance, but the FDA can review any such decision. If the FDA disagrees with a manufacturer's decision not to seek a new 510(k) clearance, the agency may retroactively require the manufacturer to seek 510(k) clearance or pre-market approval. The FDA may also require the manufacturer to cease marketing and/or recall the modified device until 510(k) clearance or pre-market approval is obtained.

European Union and Canada Regulatory Process

Medical devices in the European Union ("EU") are regulated under EU Council Directive 93/42/EEC as amended by 2007/47/EC, also referred to as Medical Device Directive or MDD, and must bear the CE Mark prior to being placed on the market. In order to affix the CE Marking on products, a recognized European Notified Body must certify a manufacturer's quality system for compliance with international and European requirements. Any modifications of existing products or development of new products in the future will require permission to affix the CE Marking to such products.

In order to commercialize products in Canada, regulatory approval from Health Canada (Therapeutic Products Directorate, Medical Devices Bureau) is required. Medical device licence applications must contain a valid ISO 13485:2003 certificate issued by a Health Canada recognized registrar under the Canadian Medical Devices Conformity Assessment System (CMDCAS). Evaluation of product safety and effectiveness is completed by Health Canada.

Specialized Skill and Knowledge

The research and development of the Company's surgical system requires specialized skill and knowledge. We believe the required skill and knowledge to carry out the current stage of research and development is available to the Company, through its current officers, employees and external medical technology development firms.[*] The Company will continue to assess its requirements and recruit and engage required qualified personnel and development firms as needed subject to budget limitations. If the final research and development stage is successfully completed and the clinical-grade SPORT™ Surgical System is developed, it is believed that the materials and parts necessary for the manufacture of the product will be available in the marketplace.[*] There is no assurance in this regard as the research and development program may reveal requirements in the future for new materials and parts that have not been identified to date.

On September 9, 2014 Dr. Fowler, who previously served as the Director of Clinical Affairs for the Company, was appointed Executive Vice President, Clinical and Regulatory Affairs. Dr. Fowler is responsible for Titan's clinical affairs and regulatory approval process plan for SPORT™ Surgical System including its pre-clinical and clinical testing strategy for submission to and approval by the U.S. Federal Drug Administration (FDA) and by the European Union.

Intellectual Property Protection

As of December 31, 2014, the Company had ownership of seven U.S. patents and ten patent applications filed in the U.S. or under the Patent Cooperation Treaty (PCT). Additionally, the Company holds exclusive rights to one patent and four patent applications presently pending before patent offices in the U.S., Canada and Europe. The Company anticipates expanding its patent portfolio by filing patent applications as it progresses in the development of robotic surgical technologies and by licensing suitable technologies.[†] There can be no assurance that our patent applications will be granted or that our intellectual property rights will not be challenged by third parties. See "Risk Factors".

[*] This sentence constitutes a forward-looking statement. See "Caution Regarding Forward-Looking Statements" above.

Operations

The Company develops its core technologies through a combination of in-house personnel and selected engineering and external medical technology development firms. Certain components of the Company`s robotic surgical system are being developed to the Company's specifications by various third party suppliers and medical technology development firms through purchase orders and does not have long-term contracts with any third parties.

The Company maintains its head office at subleased premises in Toronto, Ontario.

Employees

As of December 31, 2014, the Company had a total of 6 full-time employees.

Surgeon Advisory Board

The Company has assembled a surgeon advisory board consisting of the following surgeons who are widely regarded as leaders in the field of medical robotics or fields of surgery where robotics are expected to have a significant impact:[*]

Dennis Fowler, M.D., MPH
Head of the Surgeon Advisory Board and Executive Vice President, Clinical and Regulatory Affairs, Titan Medical Inc. Dr. Fowler is the co-inventor of the single-incision Insertable Robotic Effector Platform (IREP) technology licensed from Columbia University for use in Titan Medical's SPORT™ Surgical System. Formerly, he was the Gerald and Janet Carrus Professor of Surgical Science, Director of the Center for Innovation and Outcomes Research in the Department of Surgery, Columbia University College of Physicians and Surgeons, and V.P. - Medical Director of Perioperative Services at New York Presbyterian Hospital.

Arnold Advincula, M.D.
Vice-Chair of Women's Health and Chief of Gynecology at the Sloane Hospital for Women at Columbia University Medical Center/New York Presbyterian Hospital. Vice-President of the American Association of Gynecologic Laparoscopy (AAGL).

Julianne Bingener, M.D.
Professor of Surgery and Vice Chair for Quality, Safety and Service in the Department of Surgery in the Mayo Clinic College of Medicine. Clinical and research focus is in the use of minimally invasive surgery and endoscopy for diagnosis and treatment of gastrointestinal diseases.

Erik Dutson, M.D.
Associate Professor of Surgery and Chief of the Section of Minimally Invasive and Bariatric Surgery at UCLA, where he is also the Executive Medical Director of UCLA's Center for Advanced Surgical and Interventional Technology (CASIT). Clinical interests include laparoscopic and robotic bariatric surgery, while his research interests focus on the development of computer-assisted technology.

Adrian Park, M.D.
Chairman of the Department of Surgery and Chair of the Earl Simulation to Advance Innovation and Learning Center of Anne Arundel Health System in Annapolis, MD. Member of the Board of Directors of the Society of American Gastrointestinal and Endoscopic Surgeons (SAGES) and served as founding President and Board Chair of the Fellowship Council.

Lee L. Swanstrom, M.D.
Chief of the Division of GI and Minimally Invasive Surgery at the Oregon Clinic, Director of Providence Health System's Complex GI and Foregut Surgery Postgraduate Fellowship Program, and Clinical Professor of Surgery at

[*] This sentence constitutes a forward-looking statement. See "Caution Regarding Forward-Looking Statements" above.

OHSU. A Director of the American Board of Surgery, Past President of both SAGES and the Fellowship Council, and Chief Innovations Officer and Director of the Innovations Fellowship at the Institutes des Hôpitalo Universitaires of the University of Strasbourg, France.

John Valvo, M.D.
A practicing urologist and Executive Director and founder of the Robotic and Minimally Invasive Surgery Program at Rochester General Hospital in Rochester, New York. The program ranks in the top two percent of robotic programs for surgery volume in the U.S., has trained over 30 robotic surgeons, and has enabled the completion of more than 7,000 robotic urology, gynecology, general, and colorectal operations.

Yanghee Woo, M.D.
Assistant Professor of Surgery and the Director of the Global Excellence in Gastric Cancer Care at Columbia University at Columbia Medical Center. An upper gastrointestinal surgeon and has unique international training in minimally invasive/robotic surgery and has expertise in the surgical treatment of tumors of the stomach, pancreas, small bowel, gallbladder and bile ducts.

RISK FACTORS

Investing in the Company's securities involves a high degree of risk. Before making an investment decision with respect to the Company's common shares, potential investors should carefully consider the following risk factors, in addition to the other information included or incorporated by reference into this annual information form, as well as the Company's historical financial statements and related notes. The risks set out below are not the only risks that the Company faces, however management has identified the risks below as specific risks to the Company.[*] If any of the following risks materialize, the Company's business, financial condition, prospects or results of operations will likely suffer. In that case, the trading price of the Company's common shares and warrants could decline and an investor may lose all or part of the money paid to buy the Company's securities.

The Business of the Company – General

Uncertainty as to Product Development and Commercialization Milestones

The Company has established product development and commercialization milestones that it uses to assess its progress towards developing a commercially viable product. These milestones relate to technology and design improvements as well as to dates for achieving development goals and projected expenditures. To assess progress, the Company tests and evaluates its technology under simulated conditions. If such evaluations indicate technical defects or failure to meet cost or performance goals, the Company's commercialization schedule could be delayed and potential purchasers of its initial commercial systems may decline to purchase them or they may choose to purchase alternative technologies. Whether or not the Company meets its milestones, there is no assurance that the Company's technology will be successful in the market.

Product and Services Not Completely Developed

The future success of the Company is substantially dependent on a continued research and development effort thus far directed by certain of its key officers. In addition to being capital intensive, research and development activities relating to sophisticated technologies, such as those of the Company, are inherently uncertain as to future success and the achievement of a desired result. If delays or problems occur during the Company's ongoing research and development process, important financial and human resources may need to be diverted toward resolving such delays or problems. Further, there is a material risk that the Company's research and development activities may not result in a functional, commercially viable product or one that is approved by regulatory authorities.

[*] This sentence constitutes a forward-looking statement. See "Caution Regarding Forward-Looking Statements" above.

Additional Financing

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

Strategic Alliances

The Company relies upon, and expects to rely upon, strategic alliances with original equipment manufacturers (if and when the Company's technology is commercialized) and medical technology development firms for development contracts, assistance in product design and development, volume purchase orders and manufacturing and marketing expertise. There can be no assurance that the strategic alliances will achieve their goals.

Dependence on Key Personnel

The Company's future success and growth depends in part upon the experience of a number of key management. If, for any reason, any one or more of such key personnel do not continue to be active in the Company's management, the operations and business prospects of the Company could be adversely affected. In particular, the losses of the services of any of the Company's senior management or other key employees integral to the development of its technology and the generation of a functional, commercially viable product, or the inability to attract and retain necessary technical personnel in the future, could have a short term material adverse effect upon the Company's business, financial condition, prospects, operating results and cash flows. The Company does not currently maintain "key man" insurance for any senior management or other key personnel.

Competition

The robotic surgical market for the Company's products is highly competitive with respect to, among other factors: pricing, product and service quality, and the time required to introduce new products and services. New products may be slow to be accepted into the market or may not be accepted at all. The Company is constantly exposed to the risk that its competitors may implement new technology before the Company does, or may offer lower prices, additional products or services or other incentives that the Company cannot and will not offer. The Company can give no assurances that it will be able to compete successfully against existing or future competitors. Competition in the Company's markets is intense, and the Company expects competition to increase. The market for robotic surgery technologies is susceptible to price reductions among competitors seeking relationships with large and well capitalized businesses.

The Company's ability to compete successfully depends on a number of factors, including:

- the successful identification and development of new products for the Company's core market;
- the Company's ability to anticipate customer and market requirements and changes in technology and industry standards in a timely manner;
- the Company's ability to gain access to and use technologies in a cost-effective manner;
- the Company's ability to introduce cost-effective new products in a timely manner;
- the Company's ability to differentiate its products from its competitors' offerings;
- the Company's ability to gain customer acceptance of its products;

- the performance of the Company's products relative to its competitors' products;
- the Company's ability to market and sell the Company's products through effective sales channels;
- the Company's ability to establish and maintain effective internal financial and accounting controls and procedures;
- the Company's ability to obtain required regulatory approval in a timely manner;
- the protection of the Company's intellectual property, including its processes, trade secrets and know-how; and
- the Company's ability to attract and retain qualified technical, executive and sales personnel.

Infringement of Intellectual Property Rights

While the Company believes that its products and other intellectual property do not infringe upon the proprietary rights of third parties, its commercial success depends, in part, upon the Company not infringing intellectual property rights of others. A number of the Company's competitors and other third parties have been issued patents or may have filed patent applications or may obtain additional patents and proprietary rights for technologies similar to those being developed or utilized by the Company. Some of these patents may grant very broad protection to the owners of the patents. The Company has not undertaken a review to determine whether any existing third party patents or the issuance of any third party patents would require the Company to alter its technology, obtain licenses or cease certain activities. The Company may become subject to claims by third parties that its technology infringes their intellectual property rights due to the growth of products in its target markets, the overlap in functionality of those products and the prevalence of products. The Company may become subject to these claims either directly or through indemnities against these claims that it provides to end-users, manufacturer's representatives, distributors, value added resellers, system integrators and original equipment manufacturers.

Litigation may be necessary to determine the scope, enforceability and validity of third party proprietary rights or to establish the Company's proprietary rights. Some of its competitors have, or are affiliated with companies having, substantially greater resources than the Company and these competitors may be able to sustain the costs of complex intellectual property litigation to a greater degree and for a longer period of time than the Company. Regardless of their merit, any such claims could be time consuming to evaluate and defend, result in costly litigation, cause product shipment delays or stoppages, divert management's attention and focus away from the business, subject the Company to significant liabilities and equitable remedies, including injunctions, require the Company to enter into costly royalty or licensing agreements and require the Company to modify or stop using infringing technology.

The Company may be prohibited from developing or commercializing certain technologies and products unless it obtains a license from a third party. There can be no assurance that it will be able to obtain any such license on commercially favourable terms or at all. If it does not obtain such a license, it could be required to cease the sale of certain of its products.

Intellectual Property

There can be no guarantee that the patent applications owned by the Company will be granted, or, even if allowed to grant, that the patent applications will be granted in their current form. Accordingly, the scope of protection, if any, that may be afforded by the patent applications of the Company is uncertain. Further, even if patents issue from the Company's pending or future applications, those issued patents and any previously assigned patents of the Company may be subject to invalidation proceedings commenced by third parties. The validity of an issued patent may be attacked on a number of different grounds, and such invalidation proceedings are inherently unpredictable. If such an invalidation proceeding commenced by a third party in respect of an issued patent owned by the Company is successful, the subject patent will be ordered invalid and therefore unenforceable.

The success of the Company will depend, in part, on its ability to maintain proprietary protection over its technology and operate without infringing the proprietary rights of third parties. Despite precautions, it may be possible for a third party to copy or otherwise obtain and use the Company's technology without authorization. There can be no assurance that any steps taken by the Company will prevent misappropriation of its technology. Litigation could result in substantial costs and diversion of resources and could have a material adverse effect on Company's business, operating results and/or financial condition.

Current Global Financial Conditions

Current global financial markets have been subject to increased volatility. Access to financing has been negatively impacted in Canada, the United States and elsewhere. As such, the Company is subject to counter-party risk and liquidity risk. The Company is exposed to various counter-party risks including, but not limited to: (i) risks relating to financial institutions that hold the Company's cash; (ii) risks relating to companies that have payables to the Company or to whom the Company has made prepaid expenditures; and (iii) risks relating to the Company's insurance providers.

The current state of the global financial markets may negatively impact the ability of the Company to obtain loans and other credit facilities in the future and, if obtained, on terms favourable to the Company. If levels of volatility are increased or there is market turmoil, the Company's planned growth could be adversely impacted and the trading price of the Company's securities could be adversely affected.

Customers may reduce or postpone expenditures in view of the uncertainty of the global credit and financial markets and the limitations on available credit. Additional impacts of prevailing global financial conditions may include the inability of key suppliers of the Company to remain solvent and/or to obtain sufficient financing for the development and manufacture of our prototypes and products (at the appropriate stages of development).

Conflicts of Interest

Certain directors, officers and advisors of the Company are also directors, officers, advisors or shareholders of other companies. Such associations may give rise to conflicts of interest from time to time. The directors of the Company will be required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the director will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Results of Operations

The results of operations of the Company will depend upon numerous factors, including:

- the successful development and commercialization of the SPORT^{TM} Surgical System in a timely manner and in accordance with budgeted expenditures;
- the extent to which the Company's products gain market acceptance;
- actions relating to regulatory matters;
- timing and ability to develop manufacturing and sales and marketing capabilities;
- demand for products;
- the progress of surgical training in the use of products;
- ability to develop, introduce and market new or enhanced versions of the Company's products on a timely basis;

- product quality problems;
- ability to protect proprietary rights and defend against third party challenges; and
- ability to license additional intellectual property rights as required.

Rapidly Changing Markets Make it Difficult to Forecast Future Operating Results

The Company operates in markets characterized by technological change. The Company will likely be required to reposition its product and service offerings in the future and introduce new products and services as the Company encounters rapidly changing requirements from its customers and increasing competitive pressures. The Company may not be successful in doing so in a timely and responsive manner, or at all. As a result it is difficult to forecast future revenues and plan operating expenses appropriately, which also makes it difficult to predict future operating results.

Uncertain Market/Uncertain Acceptance of the Company's Technology/Target Market

The market for the Company's proposed technology is relatively new and is likely to undergo substantial development and changes. The market for the Company's technology may develop more slowly than the Company anticipates, in which case the Company may be unable to recover the losses it has incurred in the development of its technology and may never achieve profitability. The Company cannot guarantee that this market will develop as anticipated or that the Company will achieve a market share necessary to achieve profitability and growth.

There is no assurance that physicians and surgeons will choose our products (once they are commercialized) over the products offered by our major competitors. There is also no assurance that robotic surgical systems will continue to be used (or their use increased) by our future customers and that robotic surgical technology will be competitive (based on costs and performance factors) with, and preferred over, conventional and well established medical treatment and surgical methods including conventional minimally invasive surgery and open surgery.

Technological Advancements

The existing competitors could advance their products and new competitors could enter the market with superior technology. New and competitive products introduced into the marketplace, that are based on or incorporate more advanced technologies, may already impact the Company's operating and financial results.

Insurance and Uninsured Risks

The Company's business is subject to a number of risks and hazards including adverse conditions or changes in the regulatory environment. Such occurrences could result in damage to equipment, personal injury or death, monetary losses and possible legal liability. Despite any insurance coverage which the Company currently has or may secure in the future, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable, or the Company may elect not to insure against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a materially adverse effect upon its financial position.

Ability to License Other Intellectual Property Rights

The technology of the Company may require the use of other existing technologies and processes which are currently, or in the future will be, subject to patents, copyrights, trademarks, trade secrets and/or other intellectual property rights held by other parties, in which case the Company will need to obtain one or more licenses to use those other technologies. If the Company is unable to obtain licenses, on reasonable commercial terms, from the holders of such other intellectual property rights, it could be required to halt development and manufacturing or redesign its technology, failing which it could bear a substantial risk of litigation for misuse of the other technologies. In any such event, the business and operations of the Company could be materially adversely affected.

Government Regulation

The clinical testing, manufacturing, sale and distribution of the Company's contemplated product requires approvals from Canadian Health Protection Branch, the FDA and the European CE Marking. Applications for these approvals have not been made and there can be no assurances that such approvals will be received or if such approvals are granted, that we will be able to comply with the conditions and requirements of such approvals. Failure to obtain such approvals or to comply with such conditions and requirements may have a material adverse effect on our business, financial condition and results of operation.

Changes in Government Policy

The Company's results may be affected by changes in trade, monetary and fiscal policies, laws and regulations, or other activities of the Canadian and foreign governments, agencies and similar organizations. The Company's results may be affected by social and economic conditions which impact the Company's operations.

Changes in Accounting and Tax Rules

The Company is subject to numerous tax and accounting requirements, and changes in existing accounting or taxation rules or practices, or varying interpretations of current rules or practices, could have a significant adverse effect on the financial results of the Company or the manner in which the Company conducts its business. The Company has issued its financial statements for the year ended December 31, 2014 in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

In the future, the geographic scope of the Company's business may expand, and such expansion will require it to comply with the tax laws and regulations of multiple jurisdictions. Requirements as to taxation vary substantially among jurisdictions. Complying with the tax laws of these jurisdictions can be time consuming and expensive and could potentially subject the Company to penalties and fees in the future if it were to inadvertently fail to comply. In the event the Company were to inadvertently fail to comply with applicable tax laws, this could have a material adverse effect on the business, results of operations, and financial condition of the Company.

Contingent Liabilities

Contingent liabilities for contractual and other claims with customers, development firms, suppliers and former employees to which the Company may become party to in the future may have a material adverse effect on its financial position.

The Business of the Company – Production

Manufacturing Risks

The manufacture of our prototypes and our products, once commercialized, will involve complex processes and we and the manufacturers we hire may encounter difficulties initiating and maintaining production. In the future, there could be a significant disruption in the supply of materials or products from current sources or, in the event of a disruption, the Company might not be able to locate alternative suppliers of materials, components or products of comparable quality at an acceptable price, or at all. In addition, the Company cannot be certain that its manufacturers will be able to complete the production of the prototypes or to fill its orders for our products, once commercialized, in a timely manner. If the Company experiences significant increased demand, or needs to replace an existing manufacturer, there can be no assurance that additional supplies of product or additional manufacturing capacity will be available when required on terms that are acceptable to the Company, or at all. In addition, even if the Company is able to expand existing manufacturing or find new manufacturing, the Company may encounter delays in production. Any delays, interruption or increased costs in the supply of materials or manufacture of the Company's products could have an adverse effect on the Company's ability to meet customer demand for its products and result in lower revenues and net income.

Product Defect Risk

A malfunction or the inadequate design of the Company's contemplated products could result in product liability or other tort claims. Accidents involving the Company's products could lead to personal injury, death or physical damage. Any liability for damages resulting from malfunctions could be substantial and could adversely affect the Company's business and results of operations. In addition, a well-publicized actual or perceived problem could adversely affect the market's perception or the Company's products. This could result in a decline in demand for the Company's products, which would adversely affect its financial condition and results of operations.

If any of the Company's contemplated products prove defective, the Company may be required to redesign or recall such products. This redesign or recall may cause the Company to incur significant expenses, disrupt sales and adversely affect the reputation for the Company and its products, which could adversely impact its revenue, operating results and profitability.

Profitability

There is no assurance that the Company will earn profits in the future, or that profitability will be sustained. The medical device industry requires significant financial resources, and there is no assurance that future revenues will be sufficient to generate the funds required to continue the Company's business development and marketing activities. If the Company does not have sufficient capital to fund its operations, it may be required to reduce its research and development efforts or in the future reduce its marketing efforts or forego certain business opportunities.

Supplier

The Company is substantially dependent on one or a small number of external development firms for its technology. Key suppliers and development firms could go out of business, be purchased by competitors or infringe on another company's intellectual property and may consequently be unable to supply the Company.

Securities of the Company

History of Losses

The Company has a history of losses, and there is no assurance that any of its contemplated products will generate sustainable earnings, be profitable or provide a return on investment in the future. The Company has not paid dividends in the past and has no plans to pay dividends in the foreseeable future. Its directors will determine the future dividend policy of the Company if the Company generates earnings in the future.

Stock Price Volatility

The common shares and certain warrants of the Company trade in Canada on the Toronto Stock Exchange and the common shares also trade in the United States on the OTCQX. The Company cannot predict the extent to which investor interest will lead to the development of an active and liquid trading market in its common shares and warrants and it is possible that an active and liquid trading market will not develop or be sustained. Some companies that have volatile market prices for their securities have had securities class action lawsuits filed against them. If a lawsuit were to be commenced against the Company, regardless of its outcome, it could result in substantial costs and a diversion of management's attention and resources. The price of common shares and warrants may fluctuate in response to a number of events, including but not limited to:

- its quarterly operating results;
- sales of the Company's common shares by a principal shareholder;
- future announcements concerning the business of the Company or of its competitors;

- the failure of securities analysts to cover the Company and/or changes in financial forecasts and recommendations by securities analysts;
- actions of the Company's competitors;
- actions of the Company's suppliers;
- actions of any medical technology development firms engaged by the Company;
- actions of directors and officers regarding purchases and sales of shares;
- general market, economic and political conditions;
- natural disasters, terrorist attacks and acts of war; and
- the other risks described in this section.

Future Share Sales

Additional equity financings or other share issuances by the Company could adversely affect the market price of the Company's shares. Sales by existing shareholders of a large number of shares of the Company's shares in the public market and the sale of shares issued in connection with acquisitions or strategic alliances, or the perception that such additional sales could occur, could cause the market price of the Company's shares to drop.

Limited Operating History

Titan is a robotic surgery technology development company with a limited operating history. Future operating results may be difficult to predict. The Company is in the development stage and has been engaged in research and product development since its inception. There are many regulatory steps that must be completed as part of the development program before the Company's technology can be commercialized and a product is available for the market. These regulatory steps are costly and uncertain. The future success of the Company's business will depend on the ability to design and obtain regulatory approval for new products, manufacture and assemble current and future products in sufficient quantities in accordance with applicable regulatory requirements and at lower costs, which the Company may be unable to do. There is a limited history of operations upon which to evaluate the Company's business and its prospects. Operating expenses have increased since inception due to the development program. The lack of a significant operating history may limit an investor's ability to make a comparative evaluation of the Company, its products and its prospects. The Company has not generated revenue since its inception.

Fluctuating Financial Results

The Company's financial results may vary significantly from period to period. The financial results may fluctuate as a result of a number of factors that may be outside of the Company's control, which may cause the market price of the common shares to fall. For these reasons, comparing the Company's operating results on a period-to-period basis may not be meaningful, and an investor should not rely on past results as an indication of future performance. Financial results may be negatively affected by any of the risk factors listed in this "Risk Factors" section.

Currency Fluctuations

Titan's operating results are subject to fluctuations in foreign currency exchange rates.

DIVIDENDS

The Company has not declared or paid dividends since its inception in July 2008 nor is it expected to in the foreseeable future. The Company presently intends to retain future earnings, if any, to finance the expansion and growth of its business. Any future determination to pay dividends will be at the discretion of the Company's board

of directors and will depend on the Company's financial conditions, results of operations, capital requirements and other factors the board of directors deems relevant. In addition, the terms of any future debt or credit facility may preclude the Company from paying dividends.

CAPITAL STRUCTURE

The authorized capital of the Company consists of an unlimited number of common shares of which 102,555,338 were issued and outstanding as at December 31, 2014. The holders of common shares are entitled to receive notice of and to attend all annual and special meetings of the Company's shareholders and to one vote in respect of each common share held at the record date for each such meeting. The holders of common shares are entitled, at the discretion of the Board of Directors, to receive out of any or all of the Company's profits or surplus properly available for the payment of dividends, any dividend declared by the Board of Directors and payable by the Company on the common shares. The holders of the common shares will participate rateably in any distribution of the assets of the Company upon liquidation, dissolution or winding-up or other distribution of the assets of the Company. Such participation will be subject to the rights, privileges, restrictions and conditions attached to any of the Company's securities issued and outstanding at such time ranking in priority to the common shares upon the liquidation, dissolution or winding-up of the Company. Common shares are issued only as fully paid and are non-assessable.

The Company also had outstanding as at December 31, 2014 an aggregate of 38,628,104 common share purchase warrants that were issued in connection with prior offerings. These warrants include:

Ticker Symbol	Issue Date	Expiry Date	Number Issued	Number Outstanding	Exercise Price (CDN $)	Gross Proceeds (CDN $) [*],[1]
TMD.WT	December 10, 2010	December 10, 2015	5,000,000	3,665,900	$1.85	$6,781,915
TMD.WT.A	June 21, 2011	June 21, 2016	5,577,500	5,121,500	$2.00	$10,243,000
TMD.WT.B	December 22, 2011	December 22, 2016	4,880,000	3,484,500	$1.75	$6,097,875
NOT LISTED	March 14, 2012	March 14, 2017	1,986,755	390,729	$1.77	$691,590
TMD.WT.C	March 13, 2013	March 13, 2018	6,260,763	5,300,705	$1.25	$6,625,881
TMD.WT.D	February 19, 2014	February 19, 2017	9,142,500	8,317,856	$2.00	$16,635,712
TMD.WT.E	April 23, 2014	April 23, 2017	12,203,189	12,346,914	$2.75	$33,954,014
TOTAL			45,050,707	38,628,104		$81,029,987

All of the warrants referenced in the table above (the "Warrants") are governed by warrant indentures (the "Warrant Indentures") entered into between the Company and Computershare Limited (or its predecessor, Olympia Transfer

[*] This sentence constitutes a forward-looking statement. See "Caution Regarding Forward-Looking Statements" above.

[1] Assumes that warrants are exercised in full.

Services Inc.), as warrant agent thereunder, and/or warrant certificates, as the case may be, dated the date of issue of each series of warrants. A copy of each Warrant Indenture can be found on SEDAR at www.sedar.com.

The Company also has outstanding stock options ("Options") granted to directors, officers and employees of the Company. At December 31, 2014, there were 2,229,604 Options outstanding. Each Option entitles its holder to purchase one common share of the Company at an exercise price determined by the board of directors. The terms of each Option including the number of Options granted, the exercise price, the expiry date and any vesting provisions were determined by the Company's board of directors at the time of the grant of each Option. Please see the Company's notes to the annual audited financial statements for the 2014 fiscal year, which provides more detailed disclosure on the Options outstanding and the terms thereof.

MARKET FOR SECURITIES

All references to currency in this section under the heading, "*Market for Securities*" is in Canadian dollars.

Summary of Monthly Trading – Common Shares

Titan's common shares are listed for trading in Canada on the TSX under the symbol "TMD". The common shares of the Company also began trading on the international tier of the OTCQX market in the United States under the ticker symbol "TITXF" as of February 24, 2012.

The following table shows the close, high and low trading prices and the volume of shares traded for the common shares of the Company on the TSX-V for each month from January to September 2014, and on the TSX for each month from October to December 2014.

Month (2014)	High	Low	Close	Volume
December	$1.59	$1.33	$1.40	1,133,307
November	$2.35	$1.12	$1.43	6,197,261
October	$2.49	$2.19	$2.25	1,861,001
September	$2.52	$2.25	$2.44	1,228,836
August	$2.51	$2.15	$2.43	1,462,291
July	$2.70	$2.33	$2.37	3,777,993
June	$2.74	$1.70	$2.55	7,325,789
May	$2.07	$1.68	$1.80	5,591,937
April	$2.76	$1.69	$1.78	16,207,030
March	$2.49	$1.36	$2.18	14,977,766
February	$1.84	$1.28	$1.37	8,531,677
January	$1.83	$0.93	$1.74	7,267,733

Summary of Monthly Trading – December 2015 Warrants

Titan's December 2015 Warrants are listed for trading on the TSX under the symbol "TMD.WT". The following table shows the close, high and low trading prices and the volume of warrants traded for the December 2015 Warrants of the Company on the TSX-V for each month from January to September 2014, and on the TSX for each month from October to December 2014.

Month (2014)	High	Low	Close	Volume
December	$0.20	$0.13	$0.18	140,650
November	$0.55	$0.13	$0.18	22,490
October	$0.70	$0.40	$0.50	22,000
September	$0.75	$0.50	$0.70	46,800
August	$0.70	$0.50	$0.70	36,200

Month (2014)	High	Low	Close	Volume
July	$0.80	$0.60	$0.70	83,500
June	$0.85	$0.30	$0.73	440,250
May	$0.49	$0.27	$0.35	250,990
April	$0.84	$0.27	$0.39	1,322,655
March	$0.60	$0.10	$0.30	1,215,625
February	$0.22	$0.10	$0.10	232,000
January	$0.20	$0.07	$0.20	194,000

Summary of Monthly Trading – June 2016 Warrants

Titan's June 2016 Warrants were listed for trading on the TSX as of August 2011 under the symbol "TMD.WT.A". The following table shows the close, high and low trading prices and the volume of warrants traded for the June 2016 Warrants of the Company on the TSX-V for each month from January to September 2014, and on the TSX for each month from October to December 2014.

Month (2014)	High	Low	Close	Volume
December	$0.35	$0.29	$0.29	13,900
November	$0.40	$0.30	$0.35	11,900
October	$0.70	$0.40	$0.40	25,000
September	$0.70	$0.35	$0.70	62,100
August	$0.59	$0.48	$0.59	31,000
July	$0.65	$0.55	$0.56	95,868
June	$0.65	$0.37	$0.62	297,400
May	$0.50	$0.30	$0.45	286,000
April	$0.75	$0.30	$0.37	775,869
March	$0.50	$0.13	$0.35	257,650
February	$0.29	$0.10	$0.13	232,938
January	$0.30	$0.05	$0.30	666,000

Summary of Monthly Trading – December 2016 Warrants

Titan's December 2016 Warrants were listed for trading on the TSX as of January 2012 under the symbol "TMD.WT.B". The following table shows the close, high and low trading prices and the volume of warrants traded for the December 2016 Warrants of the Company on the TSX-V for each month from January to September 2014, and on the TSX for each month from October to December 2014.

Month (2014)	High	Low	Close	Volume
December	$0.58	$0.51	$0.55	16,000
November	$0.70	$0.51	$0.51	79,000
October	$0.66	$0.55	$0.65	21,000
September	$0.84	$0.58	$0.84	13,500
August	$0.68	$0.50	$0.68	10,500
July	$0.90	$0.68	$0.68	80,183
June	$0.95	$0.52	$0.93	124,917
May	$0.54	$0.41	$0.52	102,100
April	$1.00	$0.45	$0.50	319,765
March	$0.80	$0.25	$0.60	159,500
February	$0.40	$0.13	$0.30	365,360

Month (2014)	High	Low	Close	Volume
January	$0.40	$0.11	$0.31	158,000

Summary of Monthly Trading – March 2018 Warrants

Titan's March 2018 Warrants were listed for trading on the TSX as of March 25, 2013 under the symbol "TMD.WT.C". The following table shows the close, high and low trading prices and the volume of warrants traded for the March 2018 Warrants of the Company on the TSX-V for each month from January to September 2014, and on the TSX for each month from October to December 2014.

Month (2014)	High	Low	Close	Volume
December	$0.80	$0.50	$0.72	34,200
November	$1.20	$0.50	$0.70	98,600
October	$1.40	$0.86	$1.07	49,400
September	$1.17	$1.05	$1.10	8,400
August	$1.19	$1.00	$1.17	23,700
July	$1.39	$1.19	$1.19	23,200
June	$1.40	$0.65	$1.38	350,100
May	$1.05	$0.78	$0.94	38,000
April	$1.40	$0.78	$0.78	457,100
March	$1.23	$0.38	$0.98	595,750
February	$0.70	$0.38	$0.38	11,000
January	$0.70	$0.25	$0.66	215,405

Summary of Monthly Trading – February 2017 Warrants

Titan's February 2017 Warrants were listed for trading on the TSX-V as of March 28, 2014 and on the TSX as of September 30, 2014, under the symbol "TMD.WT.D". The following table shows the close, high and low trading prices and the volume of warrants traded for the February 2017 Warrants of the Company for each month in 2014.

Month (2014)	High	Low	Close	Volume
December	$0.30	$0.19	$0.24	171,300
November	$0.49	$0.05	$0.20	318,700
October	$0.56	$0.39	$0.45	137,150
September	$0.65	$0.55	$0.60	57,500
August	$0.59	$0.42	$0.59	174,528
July	$0.70	$0.50	$0.60	126,200
June	$0.75	$0.30	$0.68	288,028
May	$0.60	$0.32	$0.53	256,420
April	$0.80	$0.25	$0.32	1,015,807
March 28-March 31	$0.35	$0.33	$0.35	221,700

Summary of Monthly Trading – April 2017 Warrants

Titan's April 2017 Warrants were listed for trading on the TSX-V as of May 7, 2014 and on the TSX as of September 30, 2014, under the symbol "TMD.WT.E". The following table shows the close, high and low trading prices and the volume of warrants traded for the April 2017 Warrants of the Company for each month in 2014.

Month (2014)	High	Low	Close	Volume
December	$0.14	$0.07	$0.12	338,500
November	$0.32	$0.03	$0.13	599,209
October	$0.36	$0.25	$0.30	412,215
September	$0.35	$0.25	$0.35	687,000
August	$0.45	$0.26	$0.30	78,650
July	$0.60	$0.30	$0.32	773,943
June	$0.45	$0.21	$0.45	1,481,869
May 7-31	$0.25	$0.12	$0.24	1,540,772

ESCROWED SECURITIES

As of December 31, 2014, there were no common shares of the Company held, to the Company's knowledge, in escrow or that were subject to a contractual restriction on transfer.

DIRECTORS AND OFFICERS

The following sets out details respecting the directors and executive officers of Titan, as of the date of this Annual Information Form. The names, the municipalities of residence, the positions held by each in Titan and the principal occupation for the past five years of the directors and executive officers of Titan are as follows:

Name and Municipality of Residence	Offices Held	Director Since	Principal Occupation(s) During the Five-Year Period Ending December 31, 2014
John T. Hargrove[(2)] Toronto, Ontario	Chairman, Chief Executive Officer and Director	2010	Chairman and CEO of Titan from March 19, 2013 to present; Over 30 years of executive-level health care experience primarily with the Johnson & Johnson Family of Companies including Ethicon, Ethicon Endo-Surgery and Johnson & Johnson Health Care Systems.
Dr. Reiza Rayman London, Ontario	President and Director	2008	President of Titan and its predecessor company, Synergist, from May 2006 to present; Self-employed physician in general medical practice from 1991 to present.
Stephen Randall Toronto, Ontario	Chief Financial Officer and Secretary	n/a	Chief Financial Officer of Titan since March 2010; Canadian CPA, CGA in senior financial roles with private, publicly-traded and start-up companies in technology sector.

Name and Municipality of Residence	Offices Held	Director Since	Principal Occupation(s) During the Five-Year Period Ending December 31, 2014
Dennis Fowler, M.D. Kansas City, Missouri	Executive Vice President, Clinical and Regulatory Affairs	n/a	Executive Vice President, Clinical and Regulatory Affairs of Titan since September 9, 2014; Prior thereto, consultant to Titan from April 2012 to September 2014; Prior thereto, Professor of Surgery, Columbia University from September 2009 to April 2014.
Martin C. Bernholtz[(1)(2)] Thornhill, Ontario	Director	2008	Vice President, Finance of Kerbel Group Inc. since 1998.
John E. Barker[(1)(2)] Burlington, Ontario	Director	2009	Corporate director. Previously served as Senior Vice President of Finance, CFO and in other senior executive positions at Zenon Environmental Inc. from 2000 to 2006.
Dr. Bruce Wolff[(1)] Rochester, Minnesota	Director	2014	Surgeon, Mayo Clinic since 1982; and Professor of Surgery, Mayo Clinic College of Medicine and Emeritus Chair of the Division of Colon & Rectal Surgery, Mayo Clinic.

Notes:
(1) Member of Audit Committee of the Company.
(2) Member of Compensation Committee of the Company.

None of the directors or executive officers of the Company is, at the date hereof, or has within 10 years before the date hereof, been a director, chief executive officer or chief financial officer of any other issuer that (a) was the subject of a cease trade, an order similar to a cease trade order or an order that denied the issuer access to any statutory exemptions under securities legislation, that was in effect for a period of more than 30 consecutive days (an "Order"), that, while that person was acting in the capacity as a director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after that 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 a director, chief executive officer or chief financial officer.

None of the directors or executive officers of the Company (a) is, at the date hereof, or has within 10 years before the date hereof, been a director or executive officer of any other issuer 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, manager or trustee appointed to hold its assets, or (b) has, within 10 years before the date hereof, become 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, manager or trustee appointed to hold its assets

None of the directors or executive officers of the Company has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (b) any other penalties or sanctions imposed by a

court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

The term of each director will expire at the next annual meeting of the Company. As at December 31, 2014, the directors and executive officers of the Company, as a group, beneficially owned, directly or indirectly, or exercised control or direction over 6,373,449 common shares of the Company, representing approximately 6.22% of the Company's outstanding common shares. The information as to securities beneficially owned or over which control or direction is exercised is not within the knowledge of the Company and has been furnished by the directors and executive officers individually. There are no material conflicts of interest among any of the directors or executive officers and the Company, other than any potential conflicts as disclosed above.

AUDIT COMMITTEE

Audit Committee's Charter

See Schedule "A".

Composition of the Audit Committee

As of December 31, 2014, 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
Martin C. Bernholtz	Yes	Yes
Dr. Bruce Wolff	Yes	Yes

Two directors on the Corporation's Audit Committee (namely, John E. Barker and Martin C. Bernholtz) have been senior officers and/or directors of publicly traded companies and business executives for a number of years. In these positions, each director has been responsible for receiving financial information relating to the entities of which they were directors. 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.

Pre-Approval Policies and Procedures

The Audit Committee has adopted a pre-approval policy with respect to permitted non-audit services proposed to be provided by the external auditor as disclosed in paragraph 3(a)(iv) of the Audit Committee's Charter (Schedule "A").

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.

Financial Year Ended	Audit Fees[(1)]	Audit-Related Fees[(2)]	Tax Fees[(3)]	All Other Fees[(4)]
December 31, 2014	$31,202	$36,738	$4,426	$103,117
December 31, 2013	$50,671	$18,900	$4,200	$34,580

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" are fees billed by the auditor for products and services not included in the previous categories.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings to which the Company is or was a party to, or that any of its property is or was the subject of, during the year ended December 31, 2014, and the Company is not aware of any such proceedings that are contemplated. No penalties or sanctions were imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during the year ended December 31, 2014, nor has the Company entered into a settlement agreement with a securities regulatory authority, or 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

Except as disclosed in this Annual Information Form, none of the directors or executive officers of the Company, or any person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class or series of the Company's outstanding voting securities, or any associate or affiliate of any of the foregoing persons or companies, has or has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the Company.

TRANSFER AGENT AND REGISTRAR

Computershare Limited is the Company's registrar and transfer agent. The register of the transfers of the common shares of the Company are located at 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1.

MATERIAL CONTRACTS

The Company enters into a variety of contracts in the normal course of business. Material contracts entered into since January 1, 2014, or before January 1, 2014, but still in effect and that are or were required to be filed under Section 12.2 of National Instrument 51-102 *Continuous Disclosure Obligations* include the Warrant Indentures described under "*Capital Structure*".

EXPERTS

The auditors of the Company are BDO Canada LLP, Charted Accountants, Licensed Public Accountants, who have prepared an independent auditors' report in respect of the Company's financial statements with accompanying notes as at and for the year ended December 31, 2014. BDO Canada LLP is independent in accordance with the Rules of Professional Conduct as outlined by the Institute of Chartered Accountants.

ADDITIONAL INFORMATION

Additional information regarding the Company's corporate governance practices, including the terms of reference for the Company's board of directors and the Company's board committees, is contained in the management information circular of the Company dated April 21, 2014. This document can be found on SEDAR at www.sedar.com.

Additional information relating to the Company may be found on SEDAR at www.sedar.com and on the Company's web site at www.titanmedicalinc.com.

Upon request to the Company's registered office at 170 University Avenue, Suite 1000, Toronto, Ontario M5H 3B3, the Company will provide any person with a copy of this annual information form and any other documents that are incorporated by reference into a preliminary short form prospectus or short form prospectus filed in respect of a distribution of securities of the Company.

A copy of any of these documents may be obtained without charge at any time when a preliminary short form prospectus has been filed in respect of a distribution of any securities of the Company or any securities of the Company are in the course of a distribution pursuant to a short form prospectus. At any other time, any document referred to above may be obtained by security holders of the Company without charge and by any other person upon payment of a reasonable charge.

Additional information including directors' and executive officers' remuneration and indebtedness, principal holders of the Company's securities and options to purchase securities, where applicable, is contained in the management information circular of the Company dated April 21, 2014. Additional financial information is provided in the Company's financial statements and management's discussion and analysis for the year ended December 31, 2014.

SCHEDULE "A"

TITAN MEDICAL INC.

AUDIT COMMITTEE CHARTER

Purpose

The Audit Committee (the "**Audit Committee**" or the "**Committee**") is a committee of the board of directors (the "**Board of Directors**" or the "**Board**") of Titan Medical Inc. (the "**Company**"). Its primary function is to assist the Board in fulfilling its oversight responsibilities by evaluating and making recommendations to the Board as appropriate with respect to:

- financial reporting;
- the external auditors, including performance, qualifications, independence, and their audit of the Company's financial statements;
- internal controls and disclosure controls;
- financial risk management;
- the Company's Code of Business Conduct and Ethics (the "**Code**"); and
- related party transactions.

The Audit Committee will also have authority to review and, in its discretion, approve certain matters, in accordance with and within the limitations prescribed by this Charter.

The Audit Committee's primary function is to assist the Board of Directors in fulfilling its responsibilities. It is, however, the Company's management which is responsible for preparing the Company's financial statements and it is the Company's external auditors who are responsible for auditing those financial statements.

Composition and Member Qualification

The Committee shall, subject to applicable exemptions available under National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), be comprised of at least three directors, each of whom shall be an independent director of the Company (as defined below). Pursuant to NI 52-110 (as implemented by the Canadian Securities Administrators and as amended from time to time), a director is considered to be "independent" if he or she has no direct or indirect "material relationship" with the Company which is a relationship that could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgment. Notwithstanding the foregoing, a director shall be considered to have a "material relationship" with the Company if he or she falls in one of the categories listed in Schedule A attached hereto.

Subject to an applicable exemption available under NI 52-110, all members of the Audit Committee must, to the satisfaction of the Board of Directors, be "financially literate" within the meaning of NI 52-110. NI 52-110 provides that a director will be considered "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Each member will have, to the satisfaction of the Board, sufficient skills and/or experience as are relevant and will be of contribution to the carrying out of the mandate of the Committee.

Appointment and Term of Office

Each member of the Committee and the Chair of the Committee shall be appointed from and by the Board of Directors, on the recommendation of the Corporate Governance and Nominating Committee, at the time of each annual meeting of the shareholders of the Company, and shall hold office until the next annual meeting.

Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee upon ceasing to be a director.

The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all their powers so long as a quorum remains in office.

Meetings

The Committee is to meet at least four times annually (and more frequently if circumstances require). The Audit Committee is to meet prior to filing the quarterly financial statements in order to review and discuss the unaudited financial results for the preceding quarter and the related management's discussion and analysis ("**MD&A**") and is to meet prior to filing the annual audited financial statements and MD&A in order to review and discuss the audited financial results for the year and related MD&A.

The Audit Committee will meet periodically with management and the external auditors in separate sessions to discuss any matters that the Audit Committee or each of these groups believe should be discussed privately. The Audit Committee shall meet with the external auditors in a separate session at each regularly scheduled meeting of the Committee at which such auditors are present.

A quorum for the transaction of business at any meeting of the Committee is the presence in person or via tele-conference or video-conference of a simple majority of the total number of members of the Committee. If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, the quorum for the adjourned meeting will consist of the members then present.

Meetings of the Committee shall be held from time to time and at such place as the Committee or the Chair of the Committee may determine, within or outside Canada, upon not less than 48 hours' prior notice to each of the members.

Meetings of the Committee may be held without 48 hours' prior notice if all of the members entitled to vote at such meeting who do not attend, waive notice of the meeting and, for the purpose of such meeting, the presence of a member at such meeting shall constitute waiver on his or her part. Any member of the Committee or the Chairman of the Board shall be entitled to request that the Chair of the Committee call a meeting. A notice of a meeting of the Committee may be given verbally, in writing or by telephone, fax or other means of communication, and need not specify the purpose of the meeting. Members of the Committee may attend meetings of the Committee by tele-conference or video-conference.

The Committee shall keep minutes of its meetings which shall be submitted to the Board of Directors. The Committee may, from time to time, appoint any person who need not be a member, to act as secretary at any meeting.

All decisions of the Committee will require the vote of a majority of its members present at a meeting at which a quorum is present. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. Such instruments in writing may be signed in counterparts each of which shall be deemed to be an original and all originals together shall be deemed to be one and the same instrument.

The Committee shall meet in camera, without management, at each meeting of the Committee, and otherwise as considered appropriate by the members of the Committee. Any member of the Committee may move the Committee in camera at any time during the course of a meeting, and a record of any decisions made in camera shall be maintained by the Chair of the Committee.

Duties and Responsibilities

To fulfill its duties and responsibilities, the Audit Committee shall evaluate and make recommendations to the Board, or approve, as appropriate, with respect to the following matters:

1. General Responsibilities

    a. Create and maintain a Committee plan for the year.

    b. Review and assess this Charter at least annually, prepare revisions to its provisions as conditions dictate, and refer its assessment and any proposed revisions to the Corporate Governance and Nominating Committee or the Board.

    c. Report and make recommendations periodically to the Board on the matters covered by this Charter.

    d. Perform any other activities consistent with this Charter, the Company's Articles and By-Laws and governing law, as the Audit Committee or the Board of Directors deems necessary or appropriate.

2. Financial Reporting

    a. Recommend to the Board for approval:

        i. the Company's quarterly and annual financial statements and related MD&A;

        ii. all other financial statements that require approval by the Board, including financial statements for use in prospectuses or other offering or public disclosure documents and financial statements required by regulatory authorities; and

        iii. financial information for use in press releases, including annual and interim profit or loss press releases, prior to their publication and/or filing with any governmental body and/or release.

    b. Overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.

    c. Before the release of financial statements and related disclosures to the public, obtain confirmation from the CEO and CFO as to the matters addressed in the certifications required by the securities regulatory authorities.

    d. Review any litigation, claim or other contingency that could have a material effect on the financial statements.

    e. Review the external auditors' judgments about the quality and appropriateness, not just the acceptability, of the Company's accounting principles and financial disclosure practices, as applied in its financial reporting.

f. Review the status of significant accounting estimates and judgments and special issues (e.g., major transactions, changes in the selection or application of accounting policies, off-balance sheet items, effect of regulatory and financial initiatives).

g. Review and approve, if appropriate, major changes to the Company's accounting principles and practices as suggested by management with the concurrence of the external auditors.

3. External Auditor

a. Recommend to the Board of Directors: (i) the selection of the external auditors, considering independence and effectiveness; and (ii) the fees and other compensation to be paid to the external auditors.

b. Require, in accordance with applicable law, that the external auditors report directly to the Audit Committee.

c. Pre-approve all audit and non-audit services to be provided to the Company or its subsidiaries by the external auditors in a manner consistent with NI 52-110.

d. Oversee the work and review the performance of the external auditors and approve any proposed discharge of the external auditors when circumstances warrant.

e. Monitor the relationship between management and the external auditors, including reviewing any management letters or other reports of the external auditors.

f. Discuss with the external auditor any (i) difference of opinion with management on material auditing or accounting issues, and (ii) any audit problems or difficulties experienced by the external audit in performing the audit. Where there are significant unsettled issues, the Audit Committee is to assist in arriving at an agreed course of action for the resolution of such matters.

g. Periodically consult with the external auditors without management present about significant risks or exposures, internal controls and other steps that management has taken to control such risks, and the completeness and accuracy of the Company's financial statements. Particular emphasis should be given to the adequacy of internal controls to expose any payments, transactions, or procedures that might be deemed illegal or otherwise improper.

h. Review and discuss, on an annual basis, with the external auditors all significant relationships they have with the Company to determine their independence.

i. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Company's external auditors.

j. Consider any matter required to be communicated to the Audit Committee by the external auditors under applicable generally accepted auditing standards, applicable law and listing standards, including the auditor's report to the Audit Committee (and management's response thereto).

4. Monitoring Financial Matters, Internal Controls, Management Systems and Disclosure Controls

a. Oversee management's review of the adequacy of the Company's accounting and financial reporting systems, including with respect to the integrity and quality of the Company's financial statements and other financial information.

b. Oversee management's review of the adequacy of the Company's internal controls and management systems to safeguard assets from loss and unauthorized use and to verify the accuracy of the financial records.

c. In consultation with the Corporate Governance and Nominating Committee, oversee management's disclosure controls and procedures regarding the Company's financial information to confirm that the Company's financial information that is required to be disclosed under applicable law or stock exchange rules is disclosed.

d. Review any special audit steps adopted in light of material control deficiencies.

5. Risk Management

a. Review management's assessment and management of financial risk, including insurance coverage, and obtain the external auditors' opinion of management's assessment of significant financial risks facing the Company and how effectively such risks are being managed or controlled.

6. Code of Business Conduct and Ethics

a. Recommend to the Board any significant changes to the Code , monitor compliance with the Code and ensure that management has established a system to enforce the Code. Review appropriateness of actions taken to ensure compliance with the Code and review the results of confirmations and violations thereof.

b. Oversee procedures in the Code for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters, and (ii) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

c. Approve any waiver from compliance with the Code for directors and executive officers, promptly report any such waiver to the Board, and ensure appropriate disclosure of any such waiver.

Each of which shall be conducted with the Corporate Governance and Nominating Committee.

7. Related Party Transactions

a. Review and pre-approve all proposed related party transactions and situations involving a potential or actual conflict of interest involving a director, member of executive management, or affiliate, that are not required to be dealt with by an "independent committee" pursuant to securities laws, other than routine transactions and situations arising in the ordinary course of business, consistent with past practice.

8. Financial Legal Compliance

a. Review management's monitoring of the Company's systems in place to ensure that the Company's financial statements, reports and other financial information disseminated to governmental organizations and the public satisfy legal requirements.

b. Review with legal counsel any legal matters that could have a significant effect on the Company's financial statements.

c. Review with legal counsel the Company's compliance with applicable law and inquiries received from regulators and governmental agencies to the extent they may have a material impact on the financial position of the Company.

9. Expense Accounts and Management Perquisites

    a. Recommend to the Board policies and procedures with respect to directors' and executive management's expense accounts and management perquisites and benefits, including their use of corporate assets and expenditures related to executive travel and entertainment, and review the results of the procedures performed in these areas by the external auditors.

10. Succession Planning

    a. Consult with the Compensation Committee and Corporate Governance and Nominating Committee on succession planning for the directors and executive management.

11. Disclosure of Audit Committee Function

    a. Oversee the preparation of, and recommend to the Board, the disclosure of the Audit Committee's composition and responsibilities and how they were discharged as required to be published annually in the Company's management information circular or annual information form pursuant to applicable law (including NI 52-110).

    b. Approve any other significant information relating to matters within this Charter contained in the Company's disclosure documents.

12. Legal Compliance

    a. Oversee management's compliance with laws with respect to the audit function, and recommend to the Board any changes to the Company's practices in these areas.

    b. Satisfy itself that management monitors significant trends in the area of financial reporting, and evaluates their impact on the Company.

The foregoing list is not exhaustive. The Audit Committee may, in addition, perform such other functions as may be necessary or appropriate for the performance of its responsibilities and duties.

Responsibilities of Committee Chair

The primary responsibility of the Chair of the Audit Committee is to be responsible for the management and effective performance of the Committee and provide leadership to the Committee in fulfilling this Charter and any other matters delegated to it by the Board. To that end, the Committee Chair's duties and responsibilities shall include:

a. Working with the Board Chair, the Chief Executive Officer and the Corporate Secretary to establish the frequency of Committee meetings and the agendas for such meetings.

b. Providing leadership to the Committee and presiding over Committee meetings.

c. Facilitating the flow of information to and from the Committee and fostering an environment in which the Committee members may ask questions and express their viewpoints.

d. Reporting to the Board with respect to the significant activities of the Committee and any recommendations made by the Committee.

e. Taking such other steps as are reasonably required to ensure that the Committee carries out this Charter.

Other Organizational Matters

13. The members and the Chair of the Committee shall be entitled to receive remuneration for acting in such capacity as the Board may from time to time determine.

    a. The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to:

        i. engage, select, retain, terminate, set and approve the fees and other compensation and other retention terms of special or independent counsel, accountants or other advisors, as it deems appropriate;

        ii. obtain appropriate funding to pay, or approve the payment of, such approved fees; at the expense of the Company; and

        iii. communicate directly with the internal and external auditors.

14. The Committee shall have full access to books, records, facilities, and personnel of the Company, as it deems necessary to carry out its duties.

15. The Committee's performance shall be evaluated annually, in accordance with a process developed by the Corporate Governance and Nominating Committee and approved by the Board, and results of that evaluation shall be reported to the Corporate Governance and Nominating Committee and to the Board.

Schedule A
to Audit Committee Charter

Material Relationship

I Material Relationships

1. An audit committee member is independent if he or she has no direct or indirect material relationship with the issuer.

2. For the purposes of subsection (1), a "material relationship" is a relationship which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgement.

3. Despite subsection (2), the following individuals are considered to have a material relationship with an issuer:

    a. an individual who is, or has been within the last three years, an employee or executive officer of the issuer;

    b. an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;

    c. an individual who:

        (i) is a partner of a firm that is the issuer's internal or external auditor,

        (ii) is an employee of that firm, or

        (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;

    d. an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:

        (i) is a partner of a firm that is the issuer's internal or external auditor,

        (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or

        (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;

    e. an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the issuer's current executive officers serves or served at that same time on the entity's compensation committee; and

    f. an individual who received, or whose immediate family member who is employed as an executive officer of the issuer received, more than $75,000 in direct compensation from the issuer during any 12 month period within the last three years.

4. Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because

   a. he or she had a relationship identified in subsection (3) if that relationship ended before March 30, 2004; or

   b. he or she had a relationship identified in subsection (3) by virtue of subsection (8) if that relationship ended before June 30, 2005.

5. For the purposes of clauses (3)(c) and (3)(d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service.

6. For the purposes of clause (3)(f), direct compensation does not include:

   a. remuneration for acting as a member of the board of directors or of any board committee of the issuer, and

   b. the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

7. Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because the individual or his or her immediate family member

   a. has previously acted as an interim chief executive officer of the issuer, or

   b. acts, or has previously acted, as a chair or vice-chair of the board of directors or of any board committee of the issuer on a part-time basis.

8. For the purpose of this section I, an issuer includes a subsidiary entity of the issuer and a parent of the issuer.

II Additional Independence Requirements

1. Despite any determination made under section I, an individual who

   a. accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee; or

   b. is an affiliated entity of the issuer or any of its subsidiary entities, is considered to have a material relationship with the issuer.

2. For the purposes of subsection (1), the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes acceptance of a fee by

   a. an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or

   b. an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar

positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer.

3. For the purposes of subsection (1), compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

Effective: February 10, 2015