

MATERIAL CHANGE REPORT
Form 51-102F3

Item 1 Name and Address of Company

Titan Medical Inc. (the “Company” or “Titan”)
76 Berkeley Street
Toronto, Ontario
M5A 2W7

Item 2 Date of Material Change

June 5, 2023

Item 3 News Release

Attached as Schedule “A” is a copy of a news release relating to a material change, which was disseminated on June 5, 2023, through GlobeNewswire. The news release was subsequently filed on the System for Electronic Document Analysis and Retrieval at www.sedar.com.

Item 4 Summary of Material Change

The Company entered into a license agreement (the “Agreement”) with Medtronic (Nasdaq: MDT) for an upfront payment of US\$8.0 million in respect of certain intellectual property of Titan (“IP”).

Pursuant to the Agreement, the Company sold patents previously exclusively licensed by the Company to Medtronic under a license agreement dated June 3, 2020 and under a development and license agreement dated June 3, 2020 (“Acquired Rights”), and granted Medtronic a non-exclusive license to certain other Company’s IP, excluding the Acquired Rights (“Licensed IP”). Medtronic has granted the Company a limited non-exclusive license back to the Acquired Rights and the Company retains ownership of the Licensed IP, along with the associated rights including the right to continue to develop and commercialize the technologies covered by the Licensed IP and the right to further license the Licensed IP to other third parties.

Item 5 Full Description of Material Change

Please see the press release attached as Schedule “A” hereto.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

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

Chien Huang
Chief Financial Officer
(416) 613-6203

Email: chien.huang@titanmedicalinc.com
Website: www.titanmedicalinc.com

Item 9 Date of Report

June 14, 2023

SCHEDULE "A"

See attached news release.

TITAN MEDICAL

Titan Medical Signs Asset Purchase and License Agreement with Medtronic

TORONTO, Ontario, June 5, 2023 – Titan Medical Inc. (“Titan” or the “Company”) (TSX: TMD; OTC: TMDIF), a medical technology company headquartered in Toronto, Ontario, announced today that the Company has entered into an asset purchase and license agreement (“**Agreement**”) with Medtronic (NYSE: MDT), a global leader in healthcare technology, for an upfront payment of US\$8.0 million in respect of certain intellectual property (“**IP**”) of Titan.

Under the terms of the Agreement, Titan has (i) sold to Medtronic the patents previously exclusively licensed by Titan to Medtronic under a license agreement dated June 3, 2020 and under a development and license agreement dated June 3, 2020 (“**Acquired Rights**”), and (ii) granted Medtronic a non-exclusive license to certain other Titan intellectual property, excluding the Acquired Rights (“**Licensed IP**”). Medtronic has granted Titan a limited non-exclusive license back to the Acquired Rights and Titan retains ownership of the Licensed IP, along with the associated rights including the right to continue to develop and commercialize the technologies covered by the Licensed IP and the right to further license the Licensed IP to other third parties.

About Titan Medical

Titan Medical Inc. (TSX: TMD; OTC: TMDIF), a medical technology company headquartered in Toronto, Ontario with operations in Chapel Hill, North Carolina, has developed an expansive patent portfolio related to the enhancement of robotic assisted surgery (RAS), including through a single access point, and is currently focused on evaluating new opportunities to further develop and license its intellectual property.

Cautionary Statement Regarding Forward-Looking Information

This news release contains “forward-looking statements” within the meaning of applicable Canadian and U.S. securities laws, which reflect the current expectations of management of the Company’s future growth, results of operations, performance and business prospects and opportunities. Forward-looking statements are frequently, but not always, identified by words such as “may”, “would”, “could”, “will”, “anticipate”, “believe”, “plan”, “expect”, “intend”, “estimate”, “potential for” and similar expressions, although these words may not be present in all forward-looking statements. Forward-looking statements that appear in this release may include, without limitation, references to: the receipt of the US\$8.0 million from Medtronic; the limited non-exclusive license back to the Company for the Acquired Rights; the Company retaining ownership of the licensed intellectual property and the rights necessary to continue to develop and

commercialize the technologies covered by the licensed intellectual property; the Company's right and ability to license its intellectual property to other third parties.

These forward-looking statements reflect management's current beliefs with respect to future events and are based on information currently available to management that, while considered reasonable by management as of the date on which the statements are made, are inherently subject to significant business, economic and competitive uncertainties and contingencies which could result in actions, events, conditions, results, performance or achievements to be materially different from those projected in the forward-looking statements. Forward-looking statements involve significant risks, uncertainties and assumptions and many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Such factors and assumptions include, but are not limited to, the Company's ability to retain key personnel; its ability to execute on its business plans and strategies; its ability to continue to license some or all its intellectual property to third parties and receive any material consideration; the sufficiency of its working capital to continue to fund its operations and avoid making any filing under the Bankruptcy and Insolvency Act (Canada) or the Companies' Creditors Arrangement Act and other factors listed in the "Risk Factors" section of the Company's Annual Information Form for the fiscal year ended December 31, 2022 (which may be viewed at www.sedar.com). Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance, or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this news release. These factors should be considered carefully, and prospective investors should not place undue reliance on the forward-looking statements.

Although the forward-looking statements contained in the news release are based upon what management currently believes to be reasonable assumptions and the Company has attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward-looking statements, the Company cannot assure prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. Except as required by law, the Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise. Accordingly, investors should not place undue reliance on forward-looking statements. All the forward-looking statements are expressly qualified by the foregoing cautionary statements.

Contact

Chien Huang
Chief Financial Officer
investors@titanmedicalinc.com

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