CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

STRICTLY PRIVATE AND CONFIDENTIAL

Grant Thornton Limited
Court-Appointed Receiver of
BionX Canada Inc.
Attention: Jennifer Kwon
Jennifer.Kwon@ca.gt.com

Dear Sir/Madam:

In connection with your interest in a potential transaction (the "**Proposed Transaction**") with Grant Thornton Limited in its capacity as the court-appointed receiver (the "**Receiver**") of the property of BionX Canada Inc. (the "**Company**"), the Receiver has agreed to furnish or cause to be furnished to you certain information which is non-public, confidential, personal or proprietary in nature.

In this agreement, the terms "you" and "your" mean____________________________ (the "**Receiving Party**"), and the terms "we", "our" and "us" mean the Company, its affiliates and the Receiver.

"**Confidential Information**" means:

(a) any information relating to the Company or its affiliates or any of their respective businesses, operations, assets, liabilities, plans, prospects, properties or affairs, or to the Proposed Transaction, which has been or is disclosed to or acquired by you regardless of whether such information is in oral, visual, electronic, written or other form and whether or not it is identified as "confidential";

(b) any information about an identifiable individual or other information that is subject to any federal, provincial or other applicable statute, law or regulation of any governmental or regulatory authority in Canada relating to the collection, use, storage and/or disclosure of information about an identifiable individual, including the *Personal Information and Protection of Electronic Documents Act* (Canada) and equivalent provincial legislation, whether or not such information is confidential ("**Personal Information**"); and

(c) any notes, analyses, reports, compilations, forecasts, data, studies, interpretations, or other documents prepared by or on behalf of you or for your benefit that contain, reflect, summarize, analyze, discuss, review or are based on, wholly or partly, such information ("**Work Papers**").

The term "Confidential Information" shall not include information which (i) now or hereafter becomes generally available to the public other than as a result of a disclosure by you or your Representatives (as defined below), in violation of the terms of this agreement by you or your representatives or in violation of any other obligation of confidentiality owed to us or any of us by you, or (ii) are received by you from an independent third party who had obtained the information lawfully and was under no obligation of secrecy or duty of confidentiality owed to us, or (iii) you can show were in your lawful possession before you received such Information from us, or (iv) you can show were independently developed by you or on your behalf by personnel having no access to the Information at the time of its independent development, except in each case, Personal Information is not subject to these exclusions and will be considered Confidential Information notwithstanding anything else contained in this section.

In consideration of and as a condition to the receipt of Confidential Information, the parties agree to the following:

1. You shall keep confidential the Confidential Information and shall not disclose the Confidential Information in any manner whatsoever, in whole or in part, except as permitted by Section 3 and Section 6 of this agreement, and shall use the Confidential Information solely to evaluate and negotiate the Proposed Transaction and not directly or indirectly for any other purpose. Neither you nor any of your affiliates will alter, decompose, disassemble, reverse engineer or otherwise modify any Information received hereunder that relates to the research and development, intellectual property, processes, new product developments, product designs, formulae, technical information, patent information, know-how or trade secrets of the Company.

2. You shall not disclose to any person the fact that the Confidential Information has been made available, this agreement has been entered into, discussions or negotiations are taking place or have taken place concerning the Proposed Transaction, or any of the terms, conditions or other facts with respect to the foregoing, including the status thereof, except as permitted by Section 6 of this agreement.

3. You may disclose Confidential Information to your Representatives (as defined below) provided that: (i) such Representatives need to know the Confidential Information for the purposes of evaluating the Proposed Transaction; and (ii) prior to your making any disclosure to a Representative, each such Representative has been informed of the confidential nature of the Confidential Information and has been directed by you to hold the Confidential Information in the strictest confidence. You shall cause each of your Representatives to observe the terms of this agreement and are responsible for any breach by your Representatives of any of the provisions of this agreement. "**Representative**" means any affiliate, trustee, director, officer, employee, agent, representative or advisor of yours, including accountants, counsel, consultants and financial advisors but for greater certainty does not include prospective lenders or equity co-investors or other potential sources of capital without the prior written consent of the Receiver.

4. You recognize that Confidential Information includes Personal Information. You acknowledge that you and your Representatives are bound by all applicable privacy legislation with respect to any Personal Information disclosed under this agreement.

5. You may only reproduce or take copies of any Confidential Information as are reasonably necessary for the purposes of evaluating the Proposed Transaction.

6. The disclosure restrictions contained in this agreement do not apply to disclosure that is required by law or any order of any competent court or other authority, or pursuant to the rules of any relevant stock exchange, unless you are permitted or required by law, order or such rule to refrain from making such disclosure for confidentiality or other reasons. Prior to making such disclosure you shall, to the extent not prohibited by such law, order or rule,: (a) give the Receiver immediate notice of the requirement and the proposed content of any disclosure; (b) at the Receiver's request, co-operate with the Receiver in limiting the extent of the disclosure and in obtaining an appropriate protective order or pursuing such legal action, remedy or assurance as the Receiver deems necessary to preserve the confidentiality of the Confidential Information; and (c) if a protective order or other remedy is not obtained or the Receiver fails to waive compliance with the provisions of this agreement, disclose only that portion of the Confidential Information that you are, on the advice of your counsel, required to disclose and exercise commercially reasonable efforts to obtain reliable assurance that confidential treatment is given to the Confidential Information disclosed.

7. You shall make the same efforts to safeguard the Confidential Information as you make to safeguard your own confidential and proprietary business information, or all commercially reasonable efforts to safeguard the Confidential Information if such efforts would impose on you a higher standard of care.

8. At any time upon the written request of the Receiver or if you determine not to pursue the Proposed Transaction, subject to Section 9, you shall, within seven (7) business days of the request or determination: (a) return all Confidential Information to the Receiver without retaining any copies, except for that portion of the Confidential Information which consists of Work Papers, which you shall destroy or permanently erase; or (b) destroy or permanently erase all copies of the Confidential Information; and (c) certify to the Company and the Receiver in writing that this Section 8 has been complied with.

9. The Receiving Party may retain: (a) one copy of the Confidential Information pursuant to internal compliance procedures; (b) data or electronic records containing the Confidential Information solely for the purposes of backup, recovery, contingency planning or business continuity planning so long as such data or records, to the extent not permanently deleted or overwritten in the ordinary course of business, are not accessible in the ordinary course of business and are not accessed except as required for backup, recovery, contingency planning or business continuity purposes. You shall keep such retained Confidential Information confidential, subject to the terms of this agreement. The Receiving Party shall permanently delete any data or records that are restored or otherwise become accessible in the ordinary course of business.

10. For a period of two years from the date of this agreement, you and your affiliates, shall not, without the prior written consent of the Receiver:

(d) solicit for hire or employ, directly or indirectly, any now or then current or former officer, director or senior employee of the Company, other than through general solicitations by newspaper or similar advertisement or via an executive search firm that was not encouraged or instructed by you or your Representatives to undertake such solicitation; or

(e) solicit or contract with any of the Company's potential or actual suppliers or customers identified in the Confidential Information, except in the ordinary course of business consistent with past practice.

11. You and your Representatives shall submit or direct all communications regarding the Proposed Transaction, requests for additional Confidential Information and discussions or questions regarding procedures with respect to the Proposed Transaction to the Receiver or as it may otherwise direct in writing. Neither you nor your Representatives shall contact or communicate with any officer, director, employee or agent of the Company or its affiliates or representatives in any way in connection with the Proposed Transaction.

12. Neither the Company nor the Receiver makes any representation or warranty, express or implied, as to the accuracy or completeness of the Confidential Information. The Company and the Receiver expressly disclaim any and all liability to you or any other person that may be based upon or relate to the use of the Confidential Information or any errors in or omissions from the Confidential Information. You acknowledge and agree that you are not entitled to rely on the accuracy or completeness of the Confidential Information. Neither you nor we have any obligation to the other to negotiate a Proposed Transaction.

13. The parties share a common legal and commercial interest in all Confidential Information which is and remains subject to all applicable privileges, including solicitor-client privilege, anticipation of litigation privilege, work product privilege and privilege in respect of "without prejudice" communications. No waiver of any privilege is implied by the disclosure of Confidential Information to any person pursuant to the terms of this agreement.

14. To the extent that the Company owns any Confidential Information, it will remain the exclusive property of the Company. Nothing in this agreement or in the disclosure of any Confidential Information confers any interest in the Confidential Information on you.

15. Except as provided for in this agreement, unless and until a written definitive agreement, if any, concerning the Proposed Transaction has been executed and approved by the Court, neither party, its affiliates, nor any of their respective officers, employees, advisors or controlling persons has any legal obligation or liability to the other party, its affiliates, or any of their respective officers, employees, advisors or controlling persons of any kind whatsoever with respect to the Proposed Transaction. The terms and conditions of any definitive agreements between the parties in respect of the Proposed Transaction will supersede the terms of this agreement to the extent they are inconsistent with this agreement. For purposes of this agreement, the term

"definitive agreement" does not include an executed letter of intent or any other preliminary written agreement, nor does it include any written or oral acceptance of an offer or bid on your part. Each party reserves the right, in its sole discretion, to reject any and all proposals made by the other party regarding the Proposed Transaction, and to terminate negotiations and discussions with the other party at any time. You acknowledge and agree for the benefit of the Receiver and the Company, that you have read the terms and provisions of the sale process as outlined in the Pre-Filing Report of the Receiver dated February 26, 2018.

16. Except with the prior written consent of the Receiver, you and your Representatives shall not have discussions with, or negotiate with, any persons other than the Receiver to: (a) in any manner acquire, agree to acquire or make any proposal to acquire, directly or indirectly, any property of the Company, (b) enter into, directly or indirectly, any merger, joint venture or business combination involving the Company, (c) seek to control or influence any creditors of the Company in their actions or relationships with respect to the Company, or (d) advise, assist or encourage any other persons in connection with any of the foregoing.

17. Disclosure or use of Confidential Information contrary to this agreement, or any other breach of the terms and conditions of this agreement by you, will give rise to irreparable injury to the Company inadequately compensable in damages. The Receiver may, in addition to any other remedy, enforce the performance of this agreement by way of injunction or specific performance upon application to a court of competent jurisdiction without proof of actual damages (and without the requirement of posting a bond or other security) and, notwithstanding that damages may be readily quantifiable, you agree not to plead sufficiency of damages as a defence in any such proceeding. The rights and remedies provided in this agreement are cumulative and are in addition to, and not in substitution for, any other rights and remedies available at law or equity. All such rights and remedies may be exercised from time to time, and as often and in such order as the applicable party deems expedient. In the event of a breach of your obligations under this agreement, you shall, immediately following discovery of the breach, give notice to the Receiver of the nature of the breach. You shall, upon consultation with the Receiver, take all necessary steps to limit the extent of the breach.

18. The obligations of the parties under this agreement continue and are binding for a period of one year from the date hereof. Notwithstanding the foregoing, you acknowledge that the confidentiality and non-use obligations in this agreement pertaining to Personal Information shall at all times, be subject to applicable privacy laws and shall survive any termination or expiration of this agreement.

19. Any notice, direction or other communication given regarding the matters contemplated by this agreement must be in writing, sent by personal delivery, courier or email and addressed:

(f) to you at:

____
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____
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Attention: ___________________________
Email: ___________________________

(g) to the Receiver at:

Grant Thornton Limited
200 King Street West, 11th Floor, Box 11
Toronto, Ontario
M5H 3T4

Attention: Jennifer Kwon
Email: Jennifer.Kwon@ca.gt.com

A notice, direction or other communication is deemed to be given and received (i) if sent by personal delivery or courier, on the date of delivery if it is a business day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next business day, or (ii) if sent by email transmission, on the date of delivery. A party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice, direction or other communication must be sent to the party at its changed address. Any element of a party's address that is not specifically changed in a notice will be assumed not to be changed.

20. No waiver of any of the provisions of this agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the party to be bound by the waiver. A party's failure or delay in exercising any right under this agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a party from any other or further exercise of that right or the exercise of any other right it may have.

21. This agreement constitutes the entire agreement between the parties relating to its subject matter and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties with respect to such subject matter. This agreement may only be amended, supplemented, or otherwise modified by written agreement signed by all of the parties.

22. You may not assign or transfer your rights or obligations under this agreement, in whole or in part, without the prior written consent of the Receiver.

23. If any provision of this agreement is determined to be illegal, invalid or unenforceable, by an arbitrator or any court of competent jurisdiction from which no appeal exists or

is taken, that provision will be severed from this agreement and the remaining provisions will remain in full force and effect.

24. In this agreement, the terms “affiliate” and “control” have the respective meanings specified in National Instrument 45-106 – *Prospectus and Registration Exemptions* on the date of this agreement (and applies regardless of whether a person is or is not an “affiliate” at the date of this agreement), and the term “person” is interpreted broadly to include any individual, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or governmental entity.

25. You acknowledge and agree that the Receiver may amend the sale process and is not obligated to accept any offer, including the highest offer. You further acknowledge that Court approval is required in order to accept any offer.

26. This agreement is governed by, and will be interpreted and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each party irrevocably attorns and submits to the exclusive jurisdiction of the Ontario courts situated in the City of Toronto, and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

27. This agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by email or other electronic means is as effective as a manually executed counterpart of this agreement.

[Remainder of page intentionally left blank. Signature page follows.]

Please indicate your agreement to this letter by signing, dating and returning a copy of this letter to the Receiver, which will constitute a legally binding agreement between the parties with respect to the subject matter of this letter.

Yours truly,

GRANT THORNTON LIMITED, solely in its capacity as the court-appointed receiver of BionX Canada Inc.

By: ______________________________

Name:

Title:

Accepted and agreed to as of ________________________, 2018.

By: ______________________________

Name:

Title: