

Form 51-102F3

MATERIAL CHANGE REPORT UNDER 7.1(1) OF NATIONAL INSTRUMENT 51-102 AND SECTION 5.2 OF MULTILATERAL INSTRUMENT 61-101

ITEM 1 NAME AND ADDRESS OF COMPANY

RXT 110 INC.
1120 Finch Avenue West
Toronto, Ontario M5J 3H7

ITEM 2 DATE OF MATERIAL CHANGE

March 19, 2012

ITEM 3 NEWS RELEASE

A news release announcing the material change was issued by the Company on March 19, 2012 through Marketwire.

ITEM 4 SUMMARY OF MATERIAL CHANGE

As publicly announced on June 10, 2011, the Company entered into an exclusive world-wide license agreement for certain intellectual property rights held by the licensor (the "Initial License Agreement"). The Initial License Agreement was amended and restated to add a co-licensor and include intellectual property rights not subject to the Initial License Agreement. Pursuant to the terms of the amended and restated license agreement, the Company was granted an interim license for the intellectual property and the Company has the right to convert the interim license into a perpetual, world-wide exclusive license upon delivery of written notice to the Licensors (as defined below) and payment of an aggregate of 20,000,000 fully paid and non-assessable Class A Shares of the Company (the "Share Consideration") to the Licensors. As publicly announced by news release March 19, 2012, the Company has given the Licensors notice of the exercise of the Company's right to convert the interim license into the perpetual, world-wide exclusive license effective April 10, 2012 or such later date as the Company and the Licensors agree, and the Company will issue the Share Consideration to the Licensors on such date. The completion of the transaction is subject to the Company and the Licensors entering into an escrow agreement, and compliance with all applicable laws and the requirements of regulatory authorities, including the Canadian National Stock Exchange (the "CNSX").

ITEM 5 FULL DESCRIPTION OF MATERIAL CHANGE

5.1 Full Description of the Material Change

(i)

- (a) As publicly announced on June 10, 2011, the Company entered into the Initial License Agreement granting the Company an exclusive world-wide license for certain intellectual property rights held by the licensor including the right to manufacture, use, market, sell, import, export, have, hold, distribute and promote ringed calcium carbonate anti-microbial filler product to be produced utilizing or exploiting the licensed intellectual property rights. Pursuant to the terms of the Initial License Agreement, the Company was granted an interim license for the intellectual property

during which time the Company was able to conduct its legal and technical due diligence with respect to the licensed intellectual property. The Initial License Agreement was amended and restated with effect as of October 3, 2011 (the "License Agreement") to add a co-licensor as a party to the agreement and to add certain intellectual property developed by the Licensors' subsequent to the date of the Initial License Agreement and not otherwise subject to the Initial License Agreement.

The License Agreement grants the Company a non-assignable, non-transferable, world-wide exclusive interim license, with the right to grant sub-licenses and sub-contracts (subject to approval of the Licensor, not to be unreasonably withheld) to use and exploit the intellectual property rights (including patents, know-how, trade secrets and processes) of the Licensors relating to the production of ringed and non-ringed calcium hydroxide products and any improvements. On October 13, 2011, the Licensors filed United States Patent Application No. 61/546,675 for a Method and Apparatus for the Preparation of Calcium Carbonate Coated Calcium Hydroxide Particles (the "US Patent"). The Company has made payments aggregating to \$50,000 towards satisfying the interim license consideration and a further payment of (a) \$100,000 is due on or before May 1, 2012 and (b) a final payment of \$150,000 is due on or before September 30, 2012.

The License Agreement gives the Company the right to convert the interim license into an assignable, transferable, perpetual, world-wide exclusive license, with the right to grant sub-licenses and sub-contracts (subject to approval of the Licensor, not to be unreasonably withheld) to the intellectual property (the "License") upon delivery of written notice to the Licensors and payment of the Share Consideration. Upon delivery of the written notice of exercise of the right to convert the interim license to the License and the payment of the Share Consideration, the Company will obtain the License without further action. The Company remains obligated to pay the Licensors the balance of the interim license consideration in accordance with the terms of the License Agreement.

Mr. Marcus Martin and Mr. Edward Pardiak are the licensors (the "Licensors") of the intellectual property subject to the License Agreement and of each the Licensors are directors of the Company. The exercise by the Company of its right to acquire the License constitutes a "related party transaction" under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101") and each of the Licensors are "interested parties" (as defined in MI 61-101), but the Company is exempt from both the formal valuation and minority shareholder approval requirements of MI 61-101 (see paragraph (i) below).

As publicly announced by news release March 19, 2012, subject to the Closing Conditions (as defined below), the disinterested directors of the Company (the Licensors having declared their conflict of interest in the License Agreement and recusing themselves from the meeting and the vote) unanimously approved the Company's exercise of its right to convert the interim license into the License effective April 10, 2012 and to issue the Share Consideration on such date or such later date as the Company and the Licensors may agree. The Company gave notice of the exercise of the right to convert the interim license into the License to the Licensors on March 19, 2012.

The completion of the transaction is subject to the Company and the Licensors entering into an escrow agreement, and compliance with all applicable laws and the requirements of regulatory authorities, including the CNSX (the "Closing Conditions"). The Licensors have the right to assign the Licensors' rights under the License Agreement to a corporation provided that the assignee execute a counterpart agreement to be bound the terms of the License Agreement; such assignment will not release the Licensors from their liabilities or obligations under the License Agreement.

(ii) **In addition, the following disclosure is required under MI 61-101 Protection of Minority Security Holders in Special Transactions:**

(a) ***description of the transaction and its material terms;***

Subject to compliance with the Closing Conditions, on April 10, 2012, or such later date as the Company and the Licensors may agree, the Company will convert the interim license into the License and issue the Share Consideration to the Licensors. The balance of the interim license consideration will be paid on the dates originally provided for the payment of such amounts in the License Agreement. The CNSX will require the Licensors to enter into an escrow agreement no less restrictive than the terms applicable to emerging issuers pursuant to National Policy 46-201 - Escrow for Initial Public Offerings. In addition, the Licensors have agreed to provide the Company with a pledge of and security interest in the Share Consideration during the escrow term guaranteeing the obligations of the Licensor under the License Agreement.

(b) ***the purpose and business reasons for the transaction;***

Prior to November 2011, the Company did not carry on an active business. Since April 2011, the Company has raised \$2,162,000 by way of private placements to fund the development of the business of manufacturing and distributing ringed and non-ringed calcium carbonate anti-microbial products. The Company's business is based on exploiting and utilizing the intellectual property rights subject to the License, which has been previously disclosed.

(c) ***the anticipated effect of the transaction on the issuer's business and affairs;***

The Company will secure the License and continue to advance the business and exploit and utilize the intellectual property rights subject to the License. See paragraph (b) above.

(d) ***(i) a description of the interest in the transaction of every interested party and the related parties and associated entities of the interested parties; and***

The Licensors will be issued the Share Consideration, the balance of the interim license consideration will be paid to the Licensors in accordance with the term of the License Agreement and the Licensors will be paid royalties on a going forward basis. The Company will pay the Licensors', in aggregate, a royalty equal to (A) seven percent (7%) of the amount the gross margin actually realized by the Company on the sale of ringed calcium hydroxide products and (B) with respect to non-ringed calcium hydroxide products, (A) 25% of the gross margin provided that the gross margin is greater than or equal to 30%, (B) 20% on sliding linear scale to 15% of the gross margin where the gross margin is greater than 25% but less than 30% and (C) 7% of gross margin where the gross margin is less than 25%. In the event the Company generates revenue from the sale of equipment for the manufacture of products, the royalty payable is equal to 50% of gross margin actually realized by the Company. The term (a) "gross margin" means gross profit expressed as a percentage of sales and (b) "gross profit" means the profit after deduction of all costs of material, labour and factory overhead but before selling and administrative costs.

(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person referred to in subparagraph (i) for which there would be a material change in that percentage;

Upon completion of the transaction, the percentage of the securities of the Company beneficially owned or controlled by the interested parties is as follows:

Marcus Martin, a director of the Company, will acquire beneficial ownership of 10,000,000 Class A Shares in the Company. Mr. Martin currently does not own or control any securities of the Company. As of the date hereof, the Company has 35,809,841 issued and outstanding Class A Shares. Following the issuance of the Share Consideration to the Licensors, Mr. Martin will beneficially own or control approximately 27.9% of the issued and outstanding Class A Shares of the Company.

Edward Pardiak, a director of the Company, will acquire beneficial ownership of 10,000,000 Class A Shares in the Company. Mr. Pardiak currently does not own or control any securities of the Company. Following the issuance of the Share Consideration to the Licensors, Mr. Pardiak will beneficially own or control approximately 27.9% of the issued and outstanding Class A Shares of the Company.

- (e) ***unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee;***

The board of directors of the Company reviewed the terms and conditions of the Initial License Agreement and the License Agreement at the time of entering into each such agreement and determined that the entering into of the agreements was in the best interest of the Company. In reaching the decision to approve the exercise of the Company's right to acquire the License under the License Agreement, the board of directors considered a report from management and the Licensors with respect to the steps the Company has taken to prove out the intellectual property subject to the License and the development of the Company's business since the date of the Original License Agreement. In addition, the board considered the US Patent application filed by the Licensors in the United States with respect to certain of the intellectual property subject to the License Agreement. The Company engaged legal counsel to conduct due diligence, to the extent reasonably practicable, with respect to the US Patent application subject to the License. The board reviewed and considered the advice of legal counsel, including legal risk associated with the License. Additionally, the board of directors of the Company, notwithstanding that the Company is exempt from the requirements of MI 61-101 to obtain a formal valuation, engaged Corporate Valuation Services Limited to provide a Valuation Report setting out the Estimate of Fair Market Value of the Class A Shares of Company as of the year-ended September 31, 2011 considering the License. The board reviewed and considered the Valuation Report, including the underlying assumptions and the risks identified therein. On the basis of the foregoing, subject to the Closing Conditions, the disinterested directors of the Company (the Licensors having declared their conflict of interest in the License Agreement and recusing themselves from the meeting and the vote) unanimously approved the Company's exercise of its right to convert the interim license into the License effective April 10, 2012, or such later date as the Company and the Licensors may agree, and to issue the Share Consideration on such date. The Company gave notice of the exercise of the right to convert the interim license into the License to the Licensors on March 19, 2012.

- (f) ***a summary, in accordance with section 6.5, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material***

change report or will be included in its entirety in another disclosure document for the transaction;

The Company is exempt from the requirement to obtain a formal valuation. (See paragraph (i))

- (g) ***disclosure, in accordance with section 6.8, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction***
- a. ***that has been made in the 24 months before the date of the material change report; and***
 - b. ***the existence of which is known, after reasonable inquiry, to the issuer or to any director or senior officer of the issuer;***

The board of directors of the Company engaged Corporate Valuation Services Limited to provide a Valuation Report setting out the Estimate of Fair Market Value of the Class A Shares of Company as of the year-ended September 30, 2011. The valuation was prepared in accordance with the Standards of the Canadian Institute of Chartered Business Valuators, using the Canadian definition of Fair Market Value. The conclusion represents the notional value applying the Income Approach to projected results, based on economic and business conditions as the valuation date and does not consider possible purchaser-specific synergies. The Valuation Report used a variant of the First Chicago Method under the Income Approach to arrive at an Estimate of Fair Market Value of all of the Class A Shares being \$28,000,000, in a range of \$23,300,000 and \$32,800,000. This amount reflects the additional funding required for construction and working capital until the end of 2016.

The Valuation Report identifies the following as the most significant risks:

1. A patent will not be granted for the ringing process;
2. The yields and consistency of the processed material will not meet projected levels;
3. The ringed calcium hydroxide product will not be satisfactory filler for thermoplastics;
4. The exclusive retail distributor will not achieve its contracted volumes;
5. Capital costs will be greater than expected; and
6. Financing will not be available on acceptable terms.

The Valuation Report is based on certain specific assumptions, including:

- all information supplied by the Company being complete, true and correct, and all unaudited financial statements present fairly the results of the periods covered;
- management having informed the valuator of all significant factors, contracts or agreements relating to the Company, in effect at the valuation date, that have a bearing on the value of the shares and they are reflected in the valuation report;
- no contracts or agreements being negotiated at the valuation date that would have a material effect on the future results of the Company;
- all required licenses, permits, consents, or other legislative or administrative authorizations from any government or private entity having been obtained by the Company; they were in force at the valuation date, remain in force at the date of the valuation report, and will be kept current as required;

- no material adverse changes having taken place in the operations or financial position of the Company between the valuation date and the date of the valuation report;
- there were no employment contracts, stock option plans, share purchase arrangements or shareholder agreements in force at the valuation date that would have any effect on the value of the Company;
- the Company having no contingent assets or liabilities, unusual contractual obligations, or substantial commitments other than in the ordinary course of business;
- considering the purpose of the valuation report, no investigation having been necessary into potential economies of scale, cost savings or other synergies, that might be achieved by a sale of the Company to a "special purchaser", nor was any attempt made to identify any entity who might pay a premium to buy the Company for particular reasons, such as a competitive advantage or economies of scale; and
- all litigation, current, pending or threatened, if any, against the Company having been disclosed to the valuator.

A copy of the Corporate Valuation Services Limited Valuation Report described above is available for inspection at the registered office of the Company at 1120 Finch Avenue West, Fifth Floor, Toronto, Ontario M3J 3H7. A copy of the above referenced Valuation Report will be sent to any security holder upon request of the security holder for a nominal charge sufficient to cover printing and postage. A copy of this material change report will be sent to any security holder of the Company upon request and without charge.

- (h) ***the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer with an interested party or a joint actor with an interested party, in connection with the transaction;***

See paragraph (ii)(a) above. Other than the License Agreement and the escrow agreement referred to in paragraph (ii)(a), and documents related to an assignment of interest by the Licensors, if applicable, no other agreements have been or will be entered into by the issuer, or a related party of the issuer with an interested party or a joint actor with an interested party, in connection with the transaction.

- (i) ***Disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7, respectively, and the facts supporting the reliance on the exemptions.***

The Company is exempt from both the formal valuation and minority shareholder approval requirements of MI 61-101 pursuant to Section 5.5(e) and Section 5.7(c) of MI 61-101 in connection with the transaction and the issuance of the Share Consideration as neither of the Licensors beneficially own, or exercise control or direction over, any voting securities of the Company and the conversion of the interim license to the License, including the issuance of the Share Consideration, has been supported by another securityholder of the Company who is a control person who, in the circumstances of the transaction (i) is not an interested party, (ii) is at arm's length the each of the Licensors and (iii) supports the transaction.

ITEM 6 RELIANCE ON SUBSECTION 7.1 (2) OF NATIONAL INSTRUMENT 51-102

This report is not being filed on a confidential basis.

ITEM 7 OMITTED INFORMATION

Not applicable.

ITEM 8 EXECUTIVE OFFICER

The following officer is knowledgeable about the material change and this report:

Bruce Lewis

President and Chief Executive Officer

416 667 9017

ITEM 9 DATE OF REPORT

DATED in the Province of Ontario, this 19th day of March, 2012.

Schedule "A"

RXT 110 Inc. Exercises its Right Under Intellectual Property License Agreement

TORONTO, ONTARIO--(March 19, 2012 - Marketwire) – RXT 110 Inc. (CNSX: RXT) (the "Company") announced today that it has entered into an amended and restated license agreement with respect to the license of certain intellectual property originally publicly disclosed in a news release on June 10, 2011. The amended and restated license agreement is substantially the same as the original license agreement except a co-licensor has been added as a party to the agreement, certain intellectual property not originally covered by the license agreement has been added, including intellectual property utilized in the manufacture of Zeromold, and the aggregate interim license consideration has increased to \$300,000.

In addition the Company is pleased to announce that it has exercised its right to convert the interim license granted under an intellectual property license agreement previously publicly disclosed June 10, 2011, as amended and restated, into an assignable, transferable, perpetual, world-wide exclusive license (the "License"). In connection with the exercise of the right to acquire the License and in accordance with the terms of the license agreement, the Company will issue 20,000,000 fully paid and non-assessable Class A shares of the Company to the licensors. The effective date for the issuance of the Shares and the acquisition of the License is April 10, 2012.

About RXT 110 Inc.

RXT 110 Inc.'s line of retail anti-microbial products will effectively kill mould, bacteria and fungi on contact and prevent re-growth. These products address the demand created by the mounting health and environmental concerns. Mould can affect the immune system, nervous system, liver, kidneys, blood and cause brain damage.

RXT will also manufacture and distribute RXT 110, an anti-microbial filler. Calcium Carbonate is one of the most common fillers used industrially. It is susceptible like other fillers that hold moisture to attracting mould. Annual global revenue in the calcium carbonate filler industry approximates 140 billion dollars. RXT 110 Inc. will produce anti-microbial filler that performs 'filling' and 'bulking' functions like calcium carbonate. RXT 110 does not attract moisture and consequently mould infestation. RXT filler with its anti-microbial high ph core in individual particles enhances commercial product life and eradicates a broad spectrum of known bacteria, fungi, algae and other micro - organisms by suppression of their reproduction.

On Behalf of the Board of Directors of RXT 110 Inc.

Bruce Lewis
Chairman

Forward-Looking Information

This release may contain forward-looking statements information and statements which constitute "forward-looking information" under Canadian securities law and which may be material regarding, among other things, the Company's beliefs, plans, objectives, estimates, intentions and expectations with respect to its capital and funding plans. Inherent in the forward-looking information and statements are known and unknown risks, uncertainties and other factors beyond the Company's ability to control or predict, which give rise to the possibility that the

Company's predictions, forecasts, expectations or conclusions will not prove to be accurate, that its assumptions may not be correct and that the Company's plans, objectives and statements will not be achieved. Actual results or developments may differ materially from those contemplated by the forward-looking information and statements. Consequently, undue reliance should not be placed on such forward-looking statements.

The shares have not been, nor will be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirement of such Act. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to qualification under the securities laws of any such jurisdiction.

The CNSX has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved of the contents of this press release. Neither the CNSX nor its Regulation Services Provider (as such term is defined in the policies of the CNSX) accepts responsibility for the adequacy or accuracy of this release.