

**REPORT UNDER PART 4**  
**of**  
**NATIONAL INSTRUMENT 62-103**  
**(“NI 62-103”)**

**1. Name and address of eligible institutional investor:**

AlphaNorth Asset Management (the “offeror”)  
144 Front Street West, Suite 420  
Toronto, ON M5J 2L7

**2. The net increase or decrease in the number or principal amount of securities, and in the eligible institutional investor’s securityholding percentage in the class of securities, since the last report filed by the eligible institutional investor under Part 4 or the early warning requirements:**

All amounts in this report are reported as at July 31, 2011.

This is the first report by the offeror under Part 4 of NI 62-103 in respect of RXT 110 Inc. (the “issuer”). Pursuant to the completion of a private placement offering of units of the issuer on July 21, 2011, the offeror acquired control or direction over 7,500,000 Class A common shares and 7,500,000 Class A common share purchase warrants in the capital of the issuer, representing approximately 35% of the issued and outstanding Class A common shares of the issuer, assuming the exercise of all the Class A common share purchase warrants over which the offeror exercises control or direction.

**3. The designation and number or principal amount of securities and the eligible institutional investor's securityholding percentage in the class of securities at the end of the month for which the report is made:**

The offeror exercises control or direction over 7,500,000 Class A common shares and 7,500,000 Class A common share purchase warrants in the capital of the issuer, representing approximately 35% of the issued and outstanding common shares, assuming the exercise of all common share purchase warrants over which the offeror exercises control or direction.

**4. The designation and number or principal amount of securities and the percentage of outstanding securities referred to in item 3 over which:**

**(a) the eligible institutional investor, either alone or together with any joint actors, has ownership and control:**

7,500,000 Class A common shares and 7,500,000 Class A common share purchase warrants in the capital of the issuer, representing approximately 35% of

the issued and outstanding Class A common shares of the issuer (assuming the exercise of all the Class A common share purchase warrants over which the offeror exercises control or direction)

- (b) **the eligible institutional investor, either alone or together with any joint actors, has ownership but control is held by other entities other than the eligible institutional investor or any joint actors:**

None.

- (c) **the eligible institutional investor, either alone or together with any joint actors, has exclusive or shared control but does not have ownership:**

None.

5. **The purpose of the eligible institutional investor and any joint actors in acquiring or disposing of ownership of, or control over, the securities, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer:**

The securities described herein are being held for investment purposes. Depending on market and other conditions, the offeror and any joint actor may from time to time in the future increase or decrease its ownership or control or direction over, or exercise its current right to acquire the Class A common shares or other securities of the issuer, through market transactions, private agreements or otherwise.

6. **The general nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the eligible institutional investor, or any joint actor, and the issuer of the securities or any other entity in connection with any transaction or occurrence resulting in the change in ownership or control giving rise to the report, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities:**

The offeror has entered into an investment management agreement with an entity which beneficially owns the securities of the issuer, pursuant to which the offeror has been appointed to manage the investment portfolio of such entity, including making investment decisions regarding the acquisition, holding, disposition and voting of the securities of the issuer.

The securities described in item 2 were acquired pursuant to a subscription agreement between the offeror and the issuer.

7. **The names of any joint actors in connection with the disclosure required by this report:**

AlphaNorth Offshore Inc.

8. **If applicable, a description of any change in any material fact set out in a previous report by the eligible institutional investor under the early warning requirements or Part 4 in respect of the reporting issuer's securities:**

Not applicable.

9. **The offeror is eligible to file reports under Part 4 in respect of the reporting issuer.**

10. **The filing of this report is not an admission that an entity named in the report owns or controls any described securities or is a joint actor with another named entity.**

Dated this 9th day of August, 2011.

**ALPHANORTH ASSET MANAGEMENT**

By: "Joey Javier"

Name: Joey Javier

Title: Managing Partner