

**Report Under Appendix G of National Instrument 62-103
by Baker Steel Capital Managers LLP
in respect of holdings of common shares of BacTech Environmental Corporation**

1. **The name and address of the eligible institutional investor:**

Baker Steel Capital Managers LLP
86 Jermyn Street
London SW1Y 6JD
United Kingdom

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 of the early warning requirements:**

As of December 2, 2010, Baker Steel Capital Managers LLP ("**Baker Steel**"), together with the joint actors identified in Item 7 below (collectively, the "**Relevant Investors**"), beneficially owned or controlled 4,838,333 common shares ("**Common Shares**") of BacTech Environmental Corporation ("**BacTech**"), which represents approximately 16.5% of the outstanding Common Shares.

This is the first filing under NI 62-103 completed by any of the Relevant Investors.

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:**

- 4,838,333 Common Shares, which represents approximately 16.5% of the outstanding Common Shares

4. **The designation and number or principal amount of securities and the percentage of outstanding securities referred to in paragraph (c) over which**

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

4,838,333 Common Shares, which represents approximately 16.5% of the outstanding Common Shares

All of these shares and warrants are owned by the joint actors identified in Item 7 below which are investment funds or accounts managed by Baker Steel.

- (ii) **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 actor, and**

Nil.

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

Nil.

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 shares are held for investment purposes and not for the purpose of acquiring control of BacTech. Baker Steel and its joint actors may from time to time purchase additional shares or sell shares, on their own behalf or on behalf of clients, depending on prevailing economic and market conditions.

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 Common Shares acquired on December 2, 2010 pursuant to an shareholder-approved arrangement of BacTech Mining Corporation (now REBgold Corporation) under section 192 of the *Canada Business Corporations Act*.

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

Baker Steel Resources Trust Ltd.
Genus Natural Resources Fund

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. **A statement that the eligible institutional investor is eligible to file reports under Part 4 in respect of the reporting issuer:**

Baker Steel is an investment manager subject to EU Directive 2004/39/EC. Baker Steel provides the portfolio management services described in Section A(3) of Annex to Directive 93/22/EC, Baker Steel's home member state is the United Kingdom and Baker Steel exercises discretion to vote, acquire or dispose of securities owned by the joint actors identified in Item 7 without their express consent. Consequently, Baker Steel is an eligible institutional investor for the purposes of National Instrument 62-103 and therefore eligible to file reports under Part 4 of National Instrument 62-103.

DATED at London, England as of this 17th day of January, 2011.

BAKER STEEL CAPITAL MANAGERS LLP

By: "Tino Isnardi"
Name: Tino Isnardi
Title: Head of Trading and Operations