

# PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	ASSIGNMENT
<b>CONVEYING PARTY DATA</b>	
<b>Name</b>	<b>Execution Date</b>
Perseus 2000, LLC	04/06/2004
<b>RECEIVING PARTY DATA</b>	
<b>Name:</b>	4204077 Canada Limited
<b>Street Address:</b>	700 West Georgia Street
<b>City:</b>	Vancouver
<b>State/Country:</b>	CANADA
<b>Postal Code:</b>	V7Y 1B3
<b>PROPERTY NUMBERS Total: 1</b>	
<b>Property Type</b>	<b>Number</b>
<b>Patent Number:</b>	6675108
<b>CORRESPONDENCE DATA</b>	
<b>Fax Number:</b>	(763)767-0330
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
<b>Phone:</b>	763-757-3762
<b>Email:</b>	RAPAJAK4792@COMCAST.NET
<b>Correspondent Name:</b>	Robert A. Pajak
<b>Address Line 1:</b>	14234 Naples Street NE
<b>Address Line 4:</b>	Ham Lake, MINNESOTA 55304-6401
<b>NAME OF SUBMITTER:</b>	Robert A. Pajak
<b>Total Attachments: 3</b> source=05 - P-to-4204077#page1.tif source=05 - P-to-4204077#page2.tif source=05 - P-to-4204077#page3.tif	

OP \$40.00 6675108

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**PATENT**  
**REEL: 015918 FRAME: 0233**

**ASSIGNMENT**

**THIS ASSIGNMENT** made April , 2004.

**BETWEEN:**

**PERSEUS 2000, L.L.C. as Collateral Agent**

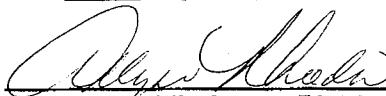
(the "Assignor")

**AND:**

**4204077 CANADA LIMITED**

(the "Assignee")

This is Exhibit "C" referred to in the  
Affidavit of John C. Fox  
sworn before me at Washington, D.C.  
this \_\_\_\_ day of April, 2004

  
A Notary Public for the District of Columbia

My Commission Expires September 14, 2005

**WHEREAS:**

A. NxtPhase Corporation ("NxtPhase") is the owner of certain collateral (the "Collateral") described in a Pledge and Security Agreement between NxtPhase and Perseus 2000, L.L.C. (the "Assignor") dated June 26, 2003;

B. NxtPhase has granted to the Assignor:

(i) the Security Agreement registered in the British Columbia Personal Property Registry ("BCPPR") as base registration #127018B and in the Manitoba Personal Property Registry ("MPPR") as registration # 200313761605;

(the "Security");

C. On March 25, 2004, the Assignor delivered to NxtPhase pursuant to the Security and s. 61 of the *Personal Property Security Act* (British Columbia) and s. 61 of the *Personal Property Security Act* (Manitoba) a Notice of Proposal for Voluntary Foreclosure (the "Notice");

D. The Assignor has agreed to assign the Security together with the benefit of the Notice to 4204077 Canada Limited (the "Assignee") on the terms and conditions contained herein;

E. The Collateral is subject to a charge in priority to the Security (the "Interim Receiver Charge") for certain amounts borrowed by or incurred by the Interim Receiver of NxtPhase pursuant to the Order of The Honourable Mr. Justice Fraser made March 3, 2003 in Supreme Court of British Columbia Action No. L040578 (the "Action").

**PATENT**

**REEL: 015918 FRAME: 0234**

**NOW THEREFORE THIS ASSIGNMENT WITNESSES** that in consideration of the sum of \$10.00 now paid by the Assignee to the Assignor and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Assignor) the parties hereto agree as follows:

1. The Assignor hereby grants, assigns, transfers and sets over unto the Assignee:
  - 1.1 the Security and all the right, title and interest of the Assignor thereunder and therein which to the best of the Assignor's knowledge represents good and valid security;
  - 1.2 the benefit of the Notice;
  - 1.3 the principal sum and interest owing under the Security as set forth in paragraph 2.1 and any other monies due, owing or payable under the Security or which may hereafter become due, owing or payable under the Security;
  - 1.4 the full benefit of all powers and all covenants and provisos in the Security and other matters and things contained therein;
  - 1.5 the full power and authority to use the name of the Assignor for enforcing the performance of the covenants and other matters and things in the Security;
  - 1.6 all the estate, right, title, interest and claim of the Assignor in and to the personal property of NxtPhase pursuant to the terms of the Security;
  - 1.7 the benefit of all guarantees, covenants for payment or other collateral security given in connection with the Security;
  - 1.8 the benefit of any priority agreements held by the Assignor in connection with the Security; and
  - 1.9 all of the right, title and interest of the Assignor in, and benefit of the proceeds of, any insurance policies relating to the Security.

TO HAVE AND TO HOLD the same unto and to the use of the Assignee forever, but subject to the terms of the Security.

2. The Assignor hereby warrants and represents to the Assignee that:
  - 2.1 the principal amount outstanding under the Security as at February 28, 2004 is US\$7,467,628.18; and
  - 2.2 the Assignor has done no act to transfer or encumber the Security.

3. The Assignor will deliver to the Assignee the original Security. The Assignor will, upon the request of the Assignee, provide the Assignee with all information and documents in the possession of the Assignor relating to the Security and execute and deliver such further documentation as the Assignee may reasonably require to give effect to the foregoing assignments and otherwise to implement the terms and conditions of this Assignment.

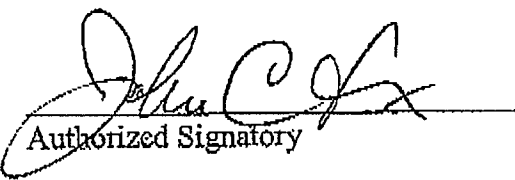
4. The Assignor hereby authorizes the Assignee or its solicitors to register such financing statements as may be necessary to change the secured party identified in the registration in the State of Arizona under the Uniform Commercial Code as filing number 2003-12690949 and any other personal property security act registrations in respect of the Security from the Assignor to the Assignee.

5. This Assignment shall be binding upon the Assignor and its successors and assigns and enure to the benefit of the Assignee and its successors and assigns.

IN WITNESS WHEREOF the parties have executed this Assignment.

PERSEUS 2000, L.L.C.  
as Collateral Agent

By:

  
Authorized Signatory