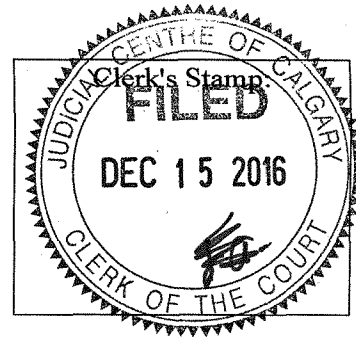


COURT FILE NUMBER 1501-09111
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF(S) HALLMARK RESOURCES LTD.
DEFENDANT(S) AQUA-PURE VENTURES INC.

DOCUMENT **ORDER**



ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

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File No. 61741-8

DATE ON WHICH ORDER WAS PRONOUNCED: December 6, 2016
LOCATION WHERE ORDER WAS PRONOUNCED: Calgary
NAME OF JUSTICE WHO MADE THIS ORDER: Mr. Justice S.J. LoVecchio

ORDER

UPON the application of Hallmark Resources Ltd., in its capacity as Collateral Agent for the Secured Creditors ("**Hallmark**"); AND UPON having read the Application, the Affidavit of Jeffery Halldorson, sworn August 6, 2015, filed (the "**First Halldorson Affidavit**") and the Affidavit of Wayne Halldorson, sworn November 10, 2016, filed (the "**Second Halldorson Affidavit**"); AND UPON hearing counsel for Hallmark and other interested parties; IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of the notice of application for this order is hereby abridged as necessary and service thereof is deemed good and sufficient.

I hereby certify this to be a true copy of
the original Order
Dated this 15 day of December 2016
[Signature]
for Clerk of the Court

2. The legal fees and expenses of Hallmark, being:
 - (a) those set out in the Second Halldorson Affidavit and Exhibit "B" thereto; and
 - (b) all further legal fees and expenses incurred by Hallmark's legal counsel relating to this Application and carrying out the terms of this Order, up to a maximum amount of \$10,000.00;(collectively, the "**Expenses**"), are approved;
3. Hallmark is authorized and directed to pay the Expenses from the distribution of funds it receives from the Receiver of Aqua-Pure Ventures Inc. (the "**Receiver's Distribution**");
4. The Secured Creditors' distribution schedule, attached as Schedule "A" to this Order (the "**Distribution Schedule**"), is approved and Hallmark is authorized and directed to pay the balance of the Receiver's Distribution (after payment of the Expenses) to the Secured Creditors in accordance therewith;
5. Hallmark shall make payment to the Secured Creditors by mailing cheques to the mailing addresses listed in Schedules "A" and "B" to the Intercreditor Agreement attached as Exhibit "A" to the Second Halldorson Affidavit, or such other method as reasonably requested by the individual Secured Creditor;
6. If any of the payments sent to Secured Creditors in accordance with paragraph 4 hereof remain undeposited or unclaimed 120 calendar days after the mailing date, then Hallmark shall:
 - (a) cancel all such payments; and
 - (b) distribute the unclaimed funds to the Secured Creditors who have deposited or otherwise claimed their initial distribution on a *pro rata* basis;

7. Service of this Order may be effected by Hallmark by sending it to the Secured Creditors via ordinary mail at the mailing addresses listed in Schedules "A" and "B" to the Intercreditor Agreement attached as Exhibit "A" to the Second Halldorson Affidavit, or at the email address set out in the Receiver's Service List, and by posting it to the Receiver's website. Where sent by ordinary mail, service will be deemed effective 10 calendar days from the date of mailing.



Justice of the Court of Queen's Bench of Alberta

Schedule "A"

Secured Creditor's Distribution Schedule

See Attached.

Secured Creditor's Distribution Schedule

Holders	Converted	Redeemed	Pro Rata %
Pike Sullivan	\$ -	\$ 200,000.00	4.14%
James Dengler	\$ -	\$ 50,000.00	1.04%
Phillip K. Meyer	\$ -	\$ 50,000.00	1.04%
Edward M. Giles	\$ 100,000.00	\$ 100,000.00	2.07%
Michael N. Emmerman	\$ 100,000.00	\$ -	0.00%
One GT Associates	\$ 300,000.00	\$ -	0.00%
BOKF, N.A. dba Colorado State Bank and Trust	\$ -	\$ 100,000.00	2.07%
Trustee for the George F. Wood SD Roth IRA #1	\$ -	\$ -	0.00%
George F. Wood	\$ -	\$ 300,000.00	6.22%
Brio Capital Master Fund Ltd.	\$ -	\$ 500,000.00	10.36%
Lucy Wallace	\$ -	\$ 100,000.00	2.07%
Heartland Bank and Trust as Custodian for Rex J. Bates Separate Trust	\$ -	\$ 250,000.00	5.18%
Giuseppe Toni Mascolo	\$ -	\$ 500,000.00	10.36%
Dominion Employee Benefit Trustees Limited As Trustee of the Friedman Ramsey Employee Benefit Trust - Dorian Prosdocimi	\$ -	\$ 150,000.00	3.11%
Dr. Simon & Jaya Nicholas	\$ -	\$ 150,000.00	3.11%
Twinlo Investment Ltd.	\$ -	\$ 100,000.00	2.07%
Raffaele Ricci	\$ 50,000.00	\$ 50,000.00	1.04%
Damian Harniess	\$ 25,000.00	\$ -	0.00%
Knud Erik Nellemann	\$ -	\$ 250,000.00	5.18%
Ralta Ltd. (Kaiki Properties Ltd.)	\$ 100,000.00	\$ -	0.00%
Prosdocimi Limited	\$ -	\$ 125,000.00	2.59%
Hallmark Resources Ltd. (USD Debenture)	\$ 547,923.62	\$ 194,076.38	4.02%
Hallmark Resources Ltd. (CAD Debenture) in USD eqt	\$ 4,676,057.28	\$ 1,656,275.11	34.32%
TOTAL:	\$ 5,898,980.90	\$ 4,825,351.49	100%