

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

DOCUMENT ORDER FOR FINAL DISTRIBUTION,
APPROVAL OF RECEIVER'S FEES AND
DISBURSEMENTS, APPROVAL OF
RECEIVER'S ACTIVITIES AND
DISCHARGE OF RECEIVER

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

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DATE ON WHICH ORDER WAS PRONOUNCED: December 6, 2016

LOCATION OF HEARING OR TRIAL: Calgary

NAME OF JUDGE WHO MADE THIS ORDER: Justice S. J. LoVecchio

UPON THE APPLICATION of Grant Thornton Limited in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of Aqua-Pure Ventures Inc. (the "**Debtor**") for an Order for the final distribution of proceeds, approval of the Receiver's fees and disbursements, approval of the Receiver's activities and discharge of the Receiver; AND UPON hearing read the Receiver's First Report dated August 24, 2015, the Receiver's Second Report dated November 10, 2015, the Receiver's Third Report dated July 4, 2016, and the Receiver's

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Supplemental Third Report dated November 29, 2016 (the "**Receiver's Supplemental Third Report**"); AND UPON hearing counsel for the Receiver, counsel for the Debtor, counsel for Hallmark Resources Ltd. ("**Hallmark**") for itself and in its capacity as collateral agent for the Axiom Investors and the Prosdocimi Investors, as defined in the Affidavit of Jeffery Halldorson sworn August 6, 2016 (collectively, the "**Noteholders**"); AND UPON being satisfied that it is appropriate to do so;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.
2. The Receiver's accounts for fees and disbursements, as set out in the Receiver's Supplemental Third Report are hereby approved without the necessity of a formal passing of its accounts.
3. The accounts of the Receiver's legal counsel, Bennett Jones LLP, for its fees and disbursements, as set out in the Receiver's Supplemental Third Report are hereby approved without the necessity of a formal assessment of its accounts.
4. The Receiver's activities as set out in the Receiver's Third Report and Supplemental Third Report and in all of its other reports filed herein, and the Statement of Receipts and Disbursements as attached to the Receiver's Supplemental Third Report, are hereby ratified and approved.
5. The Receiver is authorized and directed to distribute the amount of CAD\$886,968 to Hallmark on behalf of itself and the Noteholders.
6. The Receiver is directed to retain the Updated Holdback (as defined in the Receiver's Supplemental Third Report) in the amounts and for the purposes set out in the Receiver's Supplemental Third Report, provided that nothing in this Order shall limit the ability of the US Internal Revenue Service (the "**IRS**") to recover from the Noteholders or Hallmark any amount owing for US Taxes (as defined in the Receiver's Supplemental Third Report) in excess of the amount of the Updated Holdback up to a maximum

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amount of each individual Noteholder's distribution from Hallmark, and in relation to Hallmark, up to a maximum of the amount retained by Hallmark after its distribution to the Noteholders, subject to the rights of the Receiver or Hallmark or the Noteholders to dispute the amount or priority of any amount owing for US Taxes.

7. From the Updated Holdback, the Receiver is authorized to pay:
 - (a) remittances on account of US taxes now owing by the Debtor;
 - (b) remittances on account of US taxes determined to be owing by the Debtor in future; and
 - (c) all disbursements reflected in Appendix 1 to the Monitor's Supplemental Third Report.

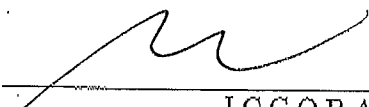
and, upon filing a Discharge Certificate with the Clerk of the Court pursuant to paragraph 9 hereof, is authorized to distribute any surplus Updated Holdback to Hallmark on behalf of itself and the Noteholders.

8. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Receiver shall not be liable to any person, firm, corporation, governmental, municipal or regulatory authority for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, whether before or after the date of this Order, save and except for any liability arising out of any in fraud, gross negligence or willful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing, any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred.
9. No action or other proceedings shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on Notice to the Receiver, and upon such terms as this Court may direct.
10. Upon the Receiver filing with the Clerk of the Court a Discharge Certificate, confirming that:

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- (a) all matters set out in paragraphs 5 and 6 of this Order have been completed, and
- (b) all other matters in the administration of the Debtor's estate have been completed,
- then the Receiver shall be discharged as Receiver of the Debtor, provided however, that notwithstanding its discharge herein (i) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (ii) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of the Receiver in its capacity as Receiver.

11. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by electronic mail, registered mail, courier, or regular mail. Where sent by electronic mail, courier or registered mail, service will be deemed effective the next business day following the transmission or delivery of such documents, notwithstanding the non-acceptance or return thereof. Where sent by regular mail, service will be deemed effective 10 calendar days from the date of mailing, notwithstanding the return thereof.



J.C.C.Q.B.A.