

**Form 45-106F6**  
**British Columbia Report of Exempt Distribution**

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution in British Columbia.

**Issuer/underwriter information**

**Item 1: Issuer/underwriter name and contact information**

A. State the following:

- the full name of the issuer of the security distributed. Include the former name of the issuer if its name has changed since this report was last filed;
- the issuer's website address; and
- the address, telephone number and email address of the issuer's head office.

Walton AB Southridge Debt & Equity Corporation (the "Issuer")  
2300, 605 5<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 3H5  
Phone: (403) 265-4255  
[www.waltoninternational.com](http://www.waltoninternational.com)

B. If an underwriter is completing this report, state the following:

- the full name of the underwriter;
- the underwriter's website address; and
- the address, telephone number and email address of the underwriter's head office.

**Item 2: Reporting issuer status**

A. State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

The Issuer is not a reporting issuer in any jurisdiction in Canada.

B. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, name the investment fund manager and state the jurisdiction(s) where it is registered.

**Item 3: Issuer's industry**

Indicate the industry of the issuer by checking the appropriate box below.

- |   |  |
|---|--|
| <input type="checkbox"/> Bio-tech                       | <input type="checkbox"/> Mining                  |
| <input type="checkbox"/> Financial Services             | <input type="checkbox"/> exploration/development |
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production              |
| <input type="checkbox"/> mortgage investment companies  | <input type="checkbox"/> Oil and gas             |
| <input type="checkbox"/> Forestry                       | <input checked="" type="checkbox"/> Real estate  |
| <input type="checkbox"/> Hi-tech                        | <input type="checkbox"/> Utilities               |
| <input type="checkbox"/> Industrial                     | <input type="checkbox"/> Other (describe)        |
- 

**Item 4: Insiders and promoters of non-reporting issuers**

If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

If the issuer is not a reporting issuer in any jurisdiction of Canada, complete the following table by providing information about each insider and promoter of the issuer. If the insider or promoter is not an individual, complete the table for directors and officers of the insider or promoter.

<b>Information about insiders and promoters</b>			
Full name, municipality and country of principal residence	All positions held (e.g., director, officer, promoter and/or holder of more than 10% of voting securities)	Number and type of securities of the issuer beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution	Total price paid for all securities beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution (Canadian \$)
William K. Doherty Calgary, Alberta, Canada	Director and Chief Executive Officer of Promoter and Parent Company of Promoter	Nil	Nil
Mark McKenna, Calgary, Alberta, Canada	Chief Operating Officer of Parent Company of Promoter	Nil	Nil
John Plastiras, Calgary, Alberta, Canada	Executive President of Real Estate of Parent Company of Promoter	Nil	Nil
Donald Berglund, Calgary, Alberta, Canada	President and Chief Executive Officer of Issuer, Chief Financial Officer of Parent Company of Promoter	Nil	Nil
Kurtis Kulman, Calgary, Alberta, Canada	Corporate Secretary of Issuer, Senior Vice President, Law, Securities and Special Projects of Promoter	Nil	Nil
Clara Chong, Calgary, Alberta, Canada	Senior Vice President of Human Resources of Parent Company of Promoter	Nil	Nil
Walton International Group Inc., Calgary, Alberta Canada	Class A Shareholder and Promoter	100 Class A Shares	\$100.00
Tony Deegan, Calgary, Alberta, Canada	President of the Promoter	Nil	Nil
Kenneth H. Phillips, Calgary, Alberta, Canada	General Counsel and Corporate Secretary of Promoter	Nil	Nil
Adelle Fruman, Calgary, Alberta, Canada	Executive Vice President, Law of Parent Company of Promoter	Nil	Nil

- Promoter = Walton International Group Inc.
- Parent Company = Walton Global Investments Ltd.  
See Offering Memorandum for further disclosures

**Details of distribution****Item 5: Distribution date**

State the distribution date. If this report is being filed for securities distributed on more than one distribution date, state all distribution dates.

May 5, 2016

**Item 6: Number and type of securities**

For each security distributed:

- (a) describe the type of security:

Class "B" Non-Voting Common Shares ("Shares") of the Issuer at \$10.00 per share & 8.0% unsecured bonds ("Bonds") of the Issuer at a \$10.00 principal amount of Bond (collectively, the "Securities").

- (b) State the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date:

30,000 Shares & \$300,000 principal amount of Bonds

**Item 7: Geographical information about purchasers**

Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report. The information provided in this table must reconcile with the information provided in item 8 and Schedules I and II.

Each Jurisdiction Where Purchasers Reside	Number of Purchasers	Price Per Security (CAD\$)*	Total Dollar Value Raised From Purchasers in the Jurisdiction (CAD\$)
British Columbia	1	\$10.00 per Unit	\$400,000
Ontario	1	\$10.00 per Unit	\$200,000
<b>Total Number of Purchasers</b>	<b>2</b>		
<b>Total Dollar Value of Distribution in all Jurisdiction (CAD\$)</b>			<b>\$600,000</b>

Note 1: If securities are issued at different prices, list the highest and lowest price for which the securities were sold.

**Item 8: Information about purchasers**

A. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

B. Information about the purchasers of securities under the distribution is required to be disclosed in different tables in this report. Complete

- the following table for each purchaser that is not an individual, and
- the tables in Schedules I and II of this report for each purchaser who is an individual.

Do not include in the tables information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report.

C. An issuer or underwriter completing this table in connection with a distribution using the exemption in subparagraph 6.1(1)(j) [*TSX Venture Exchange offering*] of National Instrument 45-106 *Prospectus and Registration Exemptions* Can choose to replace the information in the Eighth column with the total number of purchasers, whether individuals or not, by jurisdiction. If the issuer or underwriter chooses to do so, then the issuer or underwriter is not required to complete the Eighth column or the tables in Schedules I and II.

Full name and address of purchaser and name and telephone number of a contact person	Indicate if Purchaser is an Insider (I) or Registrant [R]	Total Purchase Amount	Number and Type of Securities Purchased	45-106F1 Exemption	Distribution Date
Senez Investments Inc. 5379 Galleon Place Delta, BC V4K 5A5 (604) 315-9060 – Peter Senez		\$200,000	10,000 Class B Non-Voting Common Shares, and Bonds in a Principal Amount of \$100,000	2.3	5-May-16

### Commissions and finder's fees

#### Item 9: Commissions and finder's fees

##### Instructions

A. Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include information about payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

B. If the securities being issued as compensation are or include convertible securities, such as warrants or options, add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full Name & Address of the Person Being Compensated	Insider (I) or Registrant [R]	Cash (CAD\$)	Securities			Total Dollar Value of Compensation (CAD\$)
			Number & Type of Securities Issued	Price Per Security	Exemption Relied on & Date of Distribution	
Walton Capital Management Inc. 2300, 605 5 Ave SW Calgary, AB T2P 3H5	R	\$60,000	N/A	N/A	N/A	\$60,000

### Certificate

On behalf of the issuer, I certify that the statements made in this report are true.

Date: May 5, 2016

Walton AB Southridge LP, by its general partner, Walton AB Southridge Corporation  
Name of issuer (please print)

Kenneth H. Phillips, General Counsel and Corporate Secretary of Promoter, 403-265-4255  
Print name, title and telephone number of person signing

(Signed) "Kenneth Phillips"

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Signature

*Instruction*

*The person certifying this report must complete the information in the square brackets by deleting the inapplicable word. For electronic filings, substitute a typewritten signature for a manual signature.*

**Item 10: Contact information**

State the name, title and telephone number of the person who can be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

**IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.**

**Notice - Collection and use of personal information**

The British Columbia Securities Commission collects and uses the personal information required to be included in this report for the administration and enforcement of the *Securities Act*. If you have any questions about the collection and use of this information, contact the British Columbia Securities Commission at the following address:

**British Columbia Securities Commission**

P.O. Box 10142, Pacific Centre

701 West Georgia Street Vancouver, British Columbia V7Y 1L2

Telephone: (604) 899-6500

Toll free across Canada: 1-800-373-6393

Facsimile: (604) 899-6581