

# Exhibit E

SUPREME COURT OF THE STATE OF NEW YORK  
NEW YORK COUNTY: COMMERCIAL DIVISION

JOHN PAUL DEJORIA FAMILY  
TRUST,

Plaintiff,

Index No. \_\_\_\_\_ / \_\_\_\_\_

-v.-

NORDAQ ENERGY, INC.,

Defendants.

**AFFIDAVIT OF JOHN PAUL DEJORIA**

JOHN PAUL DEJORIA, being duly sworn, states under penalty of perjury:

1. I am the Trustee of the John Paul DeJoria Family Trust, a living trust organized under the laws of the State of Nevada. The address for the DeJoria Trust is 2934 Oestrick Lane, Austin, Texas 78733.

2. I am fully familiar with the facts set forth in this declaration and make each statement contained herein based upon my own personal knowledge or upon review of the files in my possession.

3. It is my understanding that NordAq (i) is a Delaware corporation with its principal place of business in Alaska, (ii) is an oil and gas exploration and production company that holds leases in Alaska and (iii) seeks financing from various parties, including its shareholders, to help finance its oil and gas exploration activities, from time to time. The DeJoria Trust is a holder of common shares and series A convertible preferred shares in NordAq.

4. On October 22, 2014, Nordaq issued to the DeJoria Trust that certain 10% Convertible Promissory Note, dated October 22, 2014 (the "October 2014 Note"). Attached hereto as Exhibit 1 is a true and correct copy of the October 2014 Note.

5. On February 2, 2015, Nordaq issued to the DeJoria Trust that certain 10% Convertible Promissory Note, dated February 2, 2015 (the "February 2015 Note"). Attached hereto as Exhibit 2 is a true and correct copy of the October 2014 Note

6. On October 22, 2014, the DeJoria Trust loaned NordAq \$10,000,000.00 by wire transfer.

7. On February 2, 2015, the DeJoria Trust loaned NordAq an additional \$5,000,000.00 by wire transfer.

8. The Notes provided the DeJoria Trust with the option to convert the outstanding principal and accrued, unpaid interest under the Notes into shares of common stock of NordAq at a conversion price of \$10.00. The DeJoria Trust has not converted any portion of the amounts outstanding under the October 2014 Loan or the February 2015 Loan to equity.

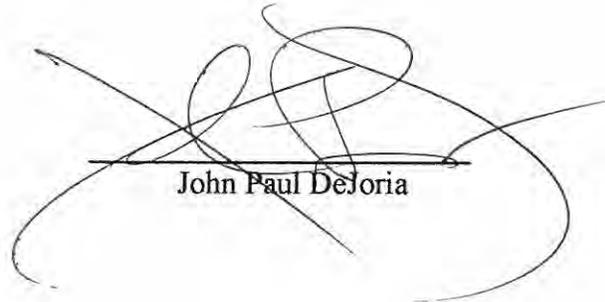
9. NordAq did not pay any principal or interest due under the February 2015 Note on or before July 31, 2015, or within 10 days thereafter. As of December 22, 2016, NordAq has not paid any principal and interest due under the February 2015 Note.

10. NordAq did not pay any principal or interest due under the October 2014 Note on or before October 22, 2015, or within 10 days thereafter. As of December 22, 2016, NordAq has not paid any principal and interest due under the October 2014 Note.

11. After the DeJoria Trust made numerous demands to NordAq that it pay the amounts owed under the Notes, on November 3, 2016, the DeJoria Trust sent a letter to NordAq providing notice of the Events of Default and declaring all obligations under the Notes due and

owing. Attached as Exhibit 3 hereto is a true and correct copy of the November 3 letter from the DeJoria Trust to NordAq.

12. To date, the DeJoria has loaned \$15,000,000.00 to NordAq under the Notes. As of December 22, 2016, interest is also due and owing in the amount of \$4,246,821.04 and accrues at a daily rate of approximately \$6,970.27 pursuant to the Notes. NordAq has failed pay any amounts due under the Notes.



John Paul DeJoria

Sworn to before me this 22<sup>nd</sup>  
day of December, 2016

See attached  
NOTARY PUBLIC



# Exhibit 1

NEITHER THE SECURITIES REPRESENTED HEREBY NOR THE SECURITIES ISSUABLE UPON CONVERSION HEREOF HAVE BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) IN COMPLIANCE WITH RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE COMPANY. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

### **10% CONVERTIBLE PROMISSORY NOTE**

#### **NORDAQ ENERGY INC.**

**DUE: October 22, 2015**

Original Issue Date: October 22, 2014

US\$10,000,000.00

This 10% Convertible Promissory Note of **NordAq Energy Inc.**, a Delaware corporation (the "Company") is issued to **John Paul DeJoria Family Trust** (together with its permitted successors and assigns, the "Holder") in accordance with exemptions from registration under the Securities Act of 1933, as amended (the "Securities Act").

#### **Article I.**

Section 1.01      Principal and Interest. (a) For value received, the Company hereby promises to pay to the order of the Holder, in lawful money of the United States of America and in immediately available funds the principal sum of **TEN MILLION and 00/100 Dollars (\$10,000,000)** on October 22, 2015 (the "Maturity Date").

(b) The Company further promises to pay interest in cash on the unpaid principal amount of this Note at a rate per annum equal to **TEN PERCENT (10%)**, commencing to accrue on the date hereof and payable on the Maturity Date or earlier prepayment or conversion as provided herein. Interest will be computed on the basis of a 360-day year of twelve 30-day months for the actual number of days elapsed.

(c) The Company may prepay all or any portion of the principal amount of this Note, together with accrued interest thereon, at any time and from time to time after the Original Issue Date without penalty or premium.

Section 1.02      Optional Conversion. (a) The unpaid principal amount of this Note, together with accrued but unpaid interest on such principal amount, shall be convertible at any time, in part or in whole, at the option of the Holder, into validly issued, fully paid and non-

assessable shares of common stock, par value \$0.01 per share (the “Common Stock”), of the Company at a conversion price of \$10.00 per share (the “Conversion Price”).

(b) To convert any portion of the unpaid principal amount of this Note, together with accrued but unpaid interest on such principal amount, under this Section into shares of Common Stock on any date, the Holder shall (i) transmit by facsimile (or otherwise deliver), for receipt on or prior to 12:00 noon, eastern standard time, on such date, a copy of an executed notice of conversion in the form attached hereto as Exhibit A (the “Conversion Notice”) to the Company and (ii) surrender this Note to a nationally recognized overnight delivery service for delivery to the Company (or an indemnification undertaking with respect to this Note in the case of its loss, theft or destruction). On or before the fifth (5th) business day following the date of receipt of a Conversion Notice, the Company shall issue and deliver to the Holder at the address as specified in the Conversion Notice, a certificate, registered in the name of the Holder, for the number of shares of Common Stock to which the Holder shall be entitled.

(c) If the outstanding principal amount of this Note is greater than the principal portion of being converted, then the Company shall as soon as practicable after receipt of this Note, at its own expense, issue and deliver to the Holder a new Note representing the outstanding principal amount not converted. Such new Note (i) shall be of like tenor with this Note, (ii) shall represent, as indicated on the face of such new Note, the principal amount remaining outstanding, (iii) shall have an issuance date, as indicated on the face of such new Note, which is the same as the Original Issue Date of this Note, (iv) shall have the same rights and conditions as this Note, and (v) shall represent accrued and unpaid interest on the unpaid principal amount of this Note from the Original Issue Date.

Section 1.03            Conversion Mechanics. The date for conversion specified in the Conversion Notice shall be the “Conversion Date.” The number of shares of Common Stock issuable upon conversion of this Note shall be equal to the quotient obtained by dividing (x) the outstanding principal amount of this Note to be converted on the Conversion Date plus accrued but unpaid interest thereon by (y) the Conversion Price. No fractional shares of the Company’s Common Stock will be issued upon conversion, but the number of shares to be issued shall be rounded to the nearest whole number of shares. The calculation by the Company of the number of shares of Common Stock to be received by the Holder upon conversion hereof shall be conclusive absent manifest error.

Section 1.04            Absolute Obligation/Ranking. Except as expressly provided herein, no provision of this Note shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of, and interest on, this Note at the time, place, and rate, and in the coin or currency, herein prescribed. This Note is a direct debt obligation of the Company.

Section 1.05            Paying Agent and Registrar. Initially, the Company will act as paying agent and registrar. The Company may change any paying agent, registrar, or Company-registrar by giving the Holder not less than ten (10) business days’ written notice of its election to do so, specifying the name, address, telephone number and facsimile number of the paying agent or registrar. The Company may act in any such capacity.

Section 1.06 Different Denominations. This Note is exchangeable for an equal aggregate principal amount of Notes of different authorized denominations, as requested by the Holder surrendering the same. No service charge will be made for such registration of transfer or exchange.

Section 1.07 Investment Representations. This Note has been issued subject to certain investment representations of the original Holder set forth in Exhibit B hereto and may be transferred or exchanged only in compliance with the terms hereof and applicable federal and state securities laws and regulations. The Holder hereby represents and warrants to the Company that such Holder's investment representations set forth in Exhibit B are true and correct as of the Original Issue Date.

Section 1.08 Reliance on Note Register. Prior to due presentment to the Company for transfer or conversion of this Note, the Company and any agent of the Company may treat the person in whose name this Note is duly registered on the Note Register as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Note is overdue, and neither the Company nor any such agent shall be affected by notice to the contrary.

Section 1.09 Other Rights. In addition to the rights and remedies given it by this Note, the Holder shall have all those rights and remedies allowed by applicable laws. The rights and remedies of the Holder are cumulative and recourse to one or more right or remedy shall not constitute a waiver of the others.

## Article II.

Section 2.01 Events of Default. Each of the following events shall constitute a default under this Note (each an "Event of Default"):

(a) failure by the Company to pay any principal amount or interest due hereunder within ten (10) days of the date such payment is due;

(b) failure by the Company to issue, or cause its transfer agent to issue, to the Holder the number of shares of Common Stock (if any) issuable to the Holder as a result of the conversion of this Note within fifteen (15) days after the Conversion Date;

(c) the Company shall: (i) make a general assignment for the benefit of its creditors; (ii) apply for or consent to the appointment of a receiver, trustee, assignee, custodian, sequestrator, liquidator or similar official for itself or any of its assets and properties; (iii) commence a voluntary case for relief as a debtor under the United States Bankruptcy Code; (iv) file with or otherwise submit to any governmental authority any petition, answer or other document seeking: (A) reorganization, (B) an arrangement with creditors or (C) to take advantage of any other present or future applicable law respecting bankruptcy, reorganization, insolvency, readjustment of debts, relief of debtors, dissolution or liquidation; (5) file or otherwise submit any answer or other document admitting or failing to contest the material allegations of a petition or other document filed or otherwise submitted against it in any proceeding under any such applicable law, or (6) be adjudicated a bankrupt or insolvent by a court of competent jurisdiction;

(d) any case, proceeding or other action shall be commenced against the Company for the purpose of effecting, or an order, judgment or decree shall be entered by any court of competent jurisdiction approving (in whole or in part) anything specified in Section 2.01(c) hereof, or any receiver, trustee, assignee, custodian, sequestrator, liquidator or other official shall be appointed with respect to the Company, or shall be appointed to take or shall otherwise acquire possession or control of all or a substantial part of the assets and properties of the Company, and any of the foregoing shall continue unstayed and in effect for any period of sixty (60) days;

(e) default shall occur with respect to any indebtedness for borrowed money of the Company (including, without limitation, any other Note(s)) or under any agreement under which such indebtedness may be issued by the Company and such default shall continue for more than the period of grace, if any, therein specified, if the aggregate amount of such indebtedness for which such default shall have occurred exceeds \$250,000, provided, however, that any default existing on the date hereof with respect to any indebtedness existing on the date hereof and set forth in Schedule A attached hereto, which default has been waived in writing by the lender, shall not be deemed to be an Event of Default hereunder;

(f) default shall occur with respect to any contractual obligation of the Company under or pursuant to any contract, lease, or other agreement to which the Company is a party and such default shall continue for more than the period of grace, if any, therein specified, if the aggregate amount of the Company's contractual liability arising out of such default exceeds or is reasonably estimated to exceed \$250,000;

(g) final judgment for the payment of money in excess of \$250,000 shall be rendered against the Company and the same shall remain undischarged for a period of twenty (20) days during which execution shall not be effectively stayed; or

(h) any default, whether in whole or in part, shall occur in the due observance or performance of any obligations or other covenants, terms or provisions to be performed under this Note which is not cured by the Company within fifteen (15) days after receipt of written notice thereof.

Section 2.02 If any Event of Default specified in Section 2.01(c) or Section 2.01(d) occurs, then the full principal amount of this Note, together with any other amounts owing in respect thereof, to the date of the Event of Default, shall become immediately due and payable without any action on the part of the Holder, and if any other Event of Default occurs, the full principal amount of this Note, together with any other amounts owing in respect thereof, to the date of acceleration shall become, at the Holder's election, immediately due and payable in cash. **Commencing five (5) days after the occurrence of any Event of Default that results in the eventual acceleration of this Note, interest on this Note shall begin to accrue at the rate of interest specified in Section 1.01(b) PLUS five percent (5%) per annum**, or such lower maximum amount of interest permitted to be charged under applicable law. All Notes for which the full amount hereunder shall have been paid in accordance herewith shall promptly be surrendered to or as directed by the Company. The Holder need not provide, and the Company hereby waives, any presentment, demand, protest or other notice of any kind, and the Holder may immediately and without expiration of any grace period enforce any and all of its rights and

remedies hereunder and all other remedies available to it under applicable law. Such declaration may be rescinded and annulled by the Holder at any time prior to payment hereunder, and the Holder shall have all rights as a Note holder until such time, if any, as the full payment under this Section shall have been received by it. No such rescission or annulment shall affect any subsequent Event of Default or impair any right consequent thereon.

Section 2.03 If this Note is not repaid in full by the Maturity Date, the interest on this Note shall begin to accrue at the rate of 15% per annum until paid in full. In addition, for each 30-day period that this Note remains unpaid subsequent to the Maturity Date, the Holder will receive a warrant to purchase 50,000 shares of the Company's common stock for \$10 (Ten dollars) per share. Each such warrant will have a life of 5 (five) years from the date of issuance.

### Article III.

Section 3.01 Negative Covenant. So long as this Note shall remain in effect and until any outstanding principal and interest and all fees and all other expenses or amounts payable under this Note have been paid in full or converted as provided herein, unless the Holder shall otherwise consent in writing, the Company shall not declare or pay, directly or indirectly, any dividend or make any other distribution (by reduction of capital or otherwise), whether in cash, property, securities or a combination thereof, with respect to any shares of its capital stock or directly or indirectly redeem, purchase, retire or otherwise acquire for value any shares of any class of its capital stock or set aside any amount for any such purpose.

### Article IV.

Section 4.01 Transfer Restrictions. The Holder acknowledges and agrees as follows:

(a) This Note and the shares of Common Stock issuable upon conversion of this Note (the "Shares") have not been registered for sale under the Securities Act, in reliance on the private offering exemption in Section 4(2) thereof and Section 506 of Regulation D thereunder; the Company does not intend to register the Securities under the Securities Act at any time in the future; and the undersigned will not immediately be entitled to the benefits of Rule 144 with respect to the Shares.

(b) The Holder understands that the certificates representing the Shares, if any, shall bear a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of such certificates or other instruments):

**THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY**

**RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS.**

The legend set forth above shall be removed and the Company shall issue a certificate without such legend to the holder of the Shares (if applicable) upon which it is stamped, if (a) such Shares are sold pursuant to a registration statement under the Securities Act, or (b) such holder delivers to the Company an opinion of counsel, reasonably acceptable to the Company, that a disposition of the Shares is being made pursuant to an exemption from such registration and that the Shares, after such transfer, shall no longer be "restricted securities" within the meaning of Rule 144.

(c) No governmental agency has passed upon this Note or the Shares or made any finding or determination as to the wisdom of any investments therein.

(d) There are substantial restrictions on the transferability of this Note and the Shares, and if the Company decides to issue certificates representing the Shares (if applicable), restrictive legends will be placed on any such certificates.

Section 4.02 Notices. Notices regarding this Note shall be sent to the parties at the following addresses, unless a party notifies the other parties, in writing, of a change of address:

If to the Company: NordAq Energy Inc.  
3000 A Street, Suite 410  
Anchorage, AK 99503  
Attention: Paul Devine, CEO  
Telephone: 907.646.9315  
Facsimile: 907.646.9317  
Email: [PDevine@NordaqEnergy.com](mailto:PDevine@NordaqEnergy.com)

with a copy to

Gottbetter & Partners, LLP  
488 Madison Avenue, 12th Floor  
New York, New York 10022  
Facsimile Number: (212) 400-6901  
Telephone Number: (212) 400-6900  
Attention: Adam S. Gottbetter  
E-mail Address: [notices@gottbetter.com](mailto:notices@gottbetter.com)

If to the Holder: At the address provided on the Holder's signature page hereto

Section 4.03 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Note shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by any of the Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, employees or agents) shall be commenced in the state and federal courts sitting in the City of New York, Borough of Manhattan (the "New York Courts"). Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the New York Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, or such New York Courts are improper or inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Note and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Note or the transactions contemplated hereby. If either party shall commence an action or proceeding to enforce any provisions of this Note, then the prevailing party in such action or proceeding shall be reimbursed by the other party for its attorney's fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

Section 4.04 Severability. The invalidity of any of the provisions of this Note shall not invalidate or otherwise affect any of the other provisions of this Note, which shall remain in full force and effect.

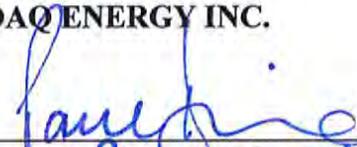
Section 4.05 Entire Agreement and Amendments. This Note represents the entire agreement between the parties hereto with respect to the subject matter hereof and there are no representations, warranties or commitments, except as set forth herein. This Note may be amended only by an instrument in writing executed by the parties hereto.

Section 4.06 Transfer. Except as provided in the next sentence, this Note shall not be transferred or assigned by the Holder without the Company's prior written consent. The Holder may transfer, with or without consideration, this Note or any portion of it to the Holder's affiliates (as such term is defined under Rule 144 of the Securities Act) without the Company's prior written consent, provided that the Holder delivers to the Company and its counsel certification, documentation and other assurances reasonably required by the Company's counsel to enable the Company's counsel to render an opinion that such transfer does not violate applicable securities laws.

*[Remainder of Page Intentionally Left Blank]*

**IN WITNESS WHEREOF**, with the intent to be legally bound hereby, the Company as executed this Note as of the date first written above.

**NORDAQ ENERGY INC.**

By:   
Name: PAUL L DEVINE  
Title: Chief Executive

**Agreed and Accepted on  
the 10th day of April, 2014:**

**John Paul DeJoria Family Trust**

By: \_\_\_\_\_  
Name: John Paul DeJoria  
Title: Trustee

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Telephone:  
Facsimile:

**EXHIBIT A**

**NOTICE OF CONVERSION**

**(To be executed by the Holder in order to convert the Note)**

**TO: NordAq Energy, Inc.**

The undersigned hereby irrevocably elects to convert the unpaid principal amount indicated below of the 10% Convertible Promissory Note due April 9, 2014 (the "Note") into shares of Common Stock of **NordAq Energy, Inc.**, according to the conditions stated therein, as of the Conversion Date written below.

**Conversion Date:** \_\_\_\_\_

**Conversion Price (per share):** \$10.00

**Principal amount of Note to be converted:** \$ \_\_\_\_\_

**Principal amount of Note unconverted:** \$ \_\_\_\_\_

**Issue the shares of Common Stock in the following name and to the following address:** \_\_\_\_\_

**Issue to the following account of the Holder:** \_\_\_\_\_

**Authorized Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Phone Number:** \_\_\_\_\_

## EXHIBIT B

### Investment Representations

**Representations and Warranties of the Holder.** The Holder represents and warrants to the Company the following (capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Note):

(a) The Holder has the knowledge and experience in financial and business matters necessary to evaluate the merits and risks of its prospective investment in the Company, and has carefully reviewed and understand the risks of, and other considerations relating to, the purchase of the Note and the underlying Shares and the tax consequences of the investment, and has the ability to bear the economic risks of the investment.

(b) The Holder is acquiring the Note and the underlying Shares for investment for its own account and not with the view to, or for resale in connection with, any distribution thereof. The Holder understands and acknowledges that the Note and the underlying Shares have not been registered under the Securities Act or any state securities laws, by reason of a specific exemption from the registration provisions of the Securities Act and applicable state securities laws, which depends upon, among other things, the bona fide nature of the investment intent as expressed herein. The Holder further represents that it does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participation to any third person with respect to the Note and or any of the underlying Shares. The Holder understands and acknowledges that the offering of the Notes will not be registered under the Securities Act nor under the state securities laws on the ground that the sale provided for in this Agreement and the issuance of securities hereunder is exempt from the registration requirements of the Securities Act and any applicable state securities laws.

(c) The Holder is an “accredited investor” as defined in Rule 501 of Regulation D as promulgated by the Securities and Exchange Commission under the Securities Act, for the reason(s) specified on the Investor Certification attached as Exhibit C hereto as completed by Holder, and Holder shall submit to the Company such further assurances of such status as may be reasonably requested by the Company.

(d) The Holder understands that no public market now exists, and there may never be a public market for the Note or the underlying Shares.

(e) The Holder has received and reviewed information about the Company, including all materials provided by the Company to the Holder in connection herewith (the “Disclosure Materials”), and has had an opportunity to discuss the Company’s business, management and financial affairs with the Company’s management. The Holder understands that such discussions, as well as any Disclosure Material provided by the Company, were intended to describe the aspects of the Company’s business and prospects which the Company believes to be material, but were not necessarily a thorough or exhaustive description, and except as expressly set forth in this Agreement, the Company makes no representation or warranty with respect to the completeness of such information and makes no representation or warranty of any kind with respect to any information provided by any entity other than the Company. Some of such

information may include projections as to the future performance of the Company, which projections may not be realized, may be based on assumptions which may not be correct and may be subject to numerous factors beyond the Company's control. Additionally, the Holder understands and represents that Holder is purchasing the Note and the underlying Shares notwithstanding the fact that the Company may disclose in the future certain material information the Holder has not received, including (without limitation) its financial results for its current fiscal quarter, that Holder is not relying on any such information in connection with its purchase of the Note and the underlying Shares and that Holder waives any right of action with respect to the nondisclosure to it prior to its purchase of the Note and the underlying Shares of any such information.

(f) As of the Original Issue Date, all action on the part of Holder, and its officers, directors and partners, if applicable, necessary for the authorization, execution and delivery of the Note and the performance of all obligations of the Holder thereunder shall have been taken, and the Note, assuming due execution by the parties hereto, constitutes valid and legally binding obligations of the Holder, enforceable in accordance with its terms, subject to: (i) judicial principles limiting the availability of specific performance, injunctive relief, and other equitable remedies and (ii) bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect generally relating to or affecting creditors' rights.

(g) Holder represents that neither it nor, to its knowledge, any person or entity controlling, controlled by or under common control with it, nor any person having a beneficial interest in it, nor any person on whose behalf the Holder is acting: (i) is a person listed in the Annex to Executive Order No. 13224 (2001) issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism); (ii) is named on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Office of Foreign Assets Control; (iii) is a non-U.S. shell bank or is providing banking services indirectly to a non-U.S. shell bank; (iv) is a senior non-U.S. political figure<sup>1</sup> or an immediate family member<sup>2</sup> or close associate<sup>3</sup> of such figure; or (v) is otherwise prohibited from investing in the Company pursuant to applicable U.S. anti-money laundering, anti-terrorist and asset control laws, regulations, rules or orders (categories (i) through (v), each a "Prohibited Holder"). The Holder agrees to provide the Company, promptly upon request, all information that the Company reasonably deems necessary or appropriate to comply with applicable U.S. anti-money laundering, anti-terrorist and asset control laws, regulations, rules and orders. The Holder consents to the disclosure to U.S. regulators and law enforcement authorities by the Company and its affiliates and agents of such

<sup>1</sup> A "senior non-U.S. political figure" is defined as a senior official in the executive, legislative, administrative, military or judicial branches of a foreign government (whether elected or not), a senior official of a major foreign political party, or a senior executive of a foreign government-owned corporation. In addition, a "senior foreign political figure" includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure.

<sup>2</sup> "Immediate family" of a senior foreign political figure typically includes the figure's parents, siblings, spouse, children and in-laws.

<sup>3</sup> A "close associate" of a senior foreign political figure is a person who is widely and publicly known to maintain an unusually close relationship with the senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of the senior foreign political figure.

information about the Holder as the Company reasonably deems necessary or appropriate to comply with applicable U.S. antimoney laundering, anti-terrorist and asset control laws, regulations, rules and orders. If the Holder is a financial institution that is subject to the USA Patriot Act, the Holder represents that it has met all of its obligations under the USA Patriot Act. The Holder acknowledges that if, following its investment in the Company, the Company reasonably believes that the Holder is a Prohibited Holder or is otherwise engaged in suspicious activity or refuses to promptly provide information that the Company requests, the Company has the right or may be obligated to prohibit additional investments, segregate the assets constituting the investment in accordance with applicable regulations or immediately require the Holder to transfer the Shares. The Holder further acknowledges that the Holder will have no claim against the Company or any of its affiliates or agents for any form of damages as a result of any of the foregoing actions.

(h) If the Holder is affiliated with a non-U.S. banking institution (a "Foreign Bank"), or if the Holder receives deposits from, makes payments on behalf of, or handles other financial transactions related to a Foreign Bank, the Holder represents and warrants to the Company that: (1) the Foreign Bank has a fixed address, other than solely an electronic address, in a country in which the Foreign Bank is authorized to conduct banking activities; (2) the Foreign Bank maintains operating records related to its banking activities; (3) the Foreign Bank is subject to inspection by the banking authority that licensed the Foreign Bank to conduct banking activities; and (4) the Foreign Bank does not provide banking services to any other Foreign Bank that does not have a physical presence in any country and that is not a regulated affiliate.

(i) The Holder realizes that because of the inherently speculative nature of businesses of the kind conducted and contemplated by the Company, the Company's financial results may be expected to fluctuate from month to month and from period to period and will, generally, involve a high degree of financial and market risk that could result in substantial or, at times, even total losses for investors in securities of the Company.

(j) The Holder has adequate means of providing for its current and anticipated financial needs and contingencies, is able to bear the economic risk for an indefinite period of time and has no need for liquidity of the investment in the Shares and could afford complete loss of such investment.

(k) The Holder is not subscribing for the Note and the underlying Shares as a result of or subsequent to any advertisement, article, notice or other communication, published in any newspaper, magazine or similar media or broadcast over television, radio, or the internet, or presented at any seminar or meeting, or any solicitation of a subscription by a person not previously known to the Holder in connection with investments in securities generally.

(l) All of the information that the Holder has heretofore furnished or which is set forth herein is correct and complete as of the Original Issue Date, and, if there should be any material change in such information prior to the admission of the undersigned to the Company, the Holder will immediately furnish revised or corrected information to the Company.

(m) **(For ERISA plans only)** The fiduciary of the ERISA plan (the "Plan") represents that such fiduciary has been informed of and understands the Company's investment

objectives, policies and strategies, and that the decision to invest “plan assets” (as such term is defined in ERISA) in the Company is consistent with the provisions of ERISA that require diversification of plan assets and impose other fiduciary responsibilities. The Holder fiduciary or Plan (a) is responsible for the decision to invest in the Company; (b) is independent of the Company or any of its affiliates; (c) is qualified to make such investment decision; and (d) in making such decision, the Purchaser fiduciary or Plan has not relied primarily on any advice or recommendation of the Company or any of its affiliates.

## EXHIBIT C

### NORDAQ ENERGY, INC. INVESTOR CERTIFICATION

#### For Individual Accredited Investors Only (all Individual Accredited Investors must *INITIAL* where appropriate):

**Initial** \_\_\_\_\_ I have a net worth a net worth (including homes, furnishings and automobiles, but excluding for these purposes the value of my primary residence) in excess of US\$1 million either individually or through aggregating his individual holdings and those in which he has a joint, community property or other similar shared ownership interest with my spouse. *(For purposes of calculating your net worth under this paragraph, (a) your primary residence shall not be included as an asset; (b) indebtedness secured by your primary residence, up to the estimated fair market value of your primary residence at the time of your purchase of the securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of your purchase of the securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of your primary residence, the amount of such excess shall be included as a liability); and (c) indebtedness that is secured by your primary residence in excess of the estimated fair market value of your primary residence at the time of your purchase of the securities shall be included as a liability.)*

**Initial** \_\_\_\_\_ I have had an annual gross income for the past two years of at least \$200,000 (or \$300,000 jointly with my spouse) and expect my income (or joint income, as appropriate) to reach the same level in the current year.

**Initial** \_\_\_\_\_ I am a director or executive officer of the Company.

#### For Non-Individual Accredited Investors (all Non-Individual Accredited Investors must *INITIAL* where appropriate):

**Initial** \_\_\_\_\_ The investor is a partnership, corporation, limited liability company or business trust that is 100% owned by persons who meet at least one of the criteria for Individual Investors set forth above.

**Initial** \_\_\_\_\_ The investor is a partnership, corporation, limited liability company or business trust that has total assets of at least \$5 million and was not formed for the purpose of investing in the Company.

**Initial** \_\_\_\_\_ The investor is an employee benefit plan whose investment decision is made by a plan fiduciary (as defined in ERISA §3(21)) that is a bank, savings and loan association, insurance company or registered investment adviser.

**Initial** \_\_\_\_\_ The investor is an employee benefit plan whose total assets exceed \$5,000,000 as of the date of this Agreement.

**Initial** \_\_\_\_\_ The investor is a self-directed employee benefit plan whose investment decisions are made solely by persons who meet either of the criteria for Individual Investors.

**Initial** \_\_\_\_\_ The investor is a U.S. bank, U.S. savings and loan association or other similar U.S. institution acting in its individual or fiduciary capacity.

**Initial** \_\_\_\_\_ The undersigned is a broker-dealer registered pursuant to §15 of the Securities Exchange Act of 1934.

**Initial** \_\_\_\_\_ The investor is an organization described in §501(c)(3) of the Internal Revenue Code with total assets exceeding \$5,000,000 and not formed for the specific purpose of investing in the Company.

**Initial** \_\_\_\_\_ The investor is a trust with total assets of at least \$5,000,000, not formed for the specific purpose of investing in the Company, and whose purchase is directed by a person with such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment.

**Initial** \_\_\_\_\_ The investor is a plan established and maintained by a state or its political subdivisions, or any agency or instrumentality thereof, for the benefit of its employees, and which has total assets in excess of \$5,000,000.

**Initial** \_\_\_\_\_ The investor is an insurance company as defined in §2(13) of the Securities Act, or a registered investment company.

## Exhibit 2

NEITHER THE SECURITIES REPRESENTED HEREBY NOR THE SECURITIES ISSUABLE UPON CONVERSION HEREOF HAVE BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) IN COMPLIANCE WITH RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE COMPANY. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

**10% CONVERTIBLE PROMISSORY NOTE**

**NORDAQ ENERGY INC.**

**DUE: July 31<sup>st</sup>, 2015**

Original Issue Date: February 2, 2015

US\$5,000,000.00

This 10% Convertible Promissory Note of **NordAq Energy Inc.**, a Delaware corporation (the "Company") is issued to **John Paul DeJoria Family Trust** (together with its permitted successors and assigns, the "Holder") in accordance with exemptions from registration under the Securities Act of 1933, as amended (the "Securities Act").

**Article I.**

Section 1.01 Principal and Interest. (a) For value received, the Company hereby promises to pay to the order of the Holder, in lawful money of the United States of America and in immediately available funds the principal sum of **FIVE MILLION and 00/100 Dollars (\$5,000,000)** on July 31<sup>st</sup>, 2015 (the "Maturity Date").

(b) The Company further promises to pay interest in cash on the unpaid principal amount of this Note at a rate per annum equal to **TEN PERCENT (10%)**, commencing to accrue on the date hereof and payable on the Maturity Date or earlier prepayment or conversion as provided herein. Interest will be computed on the basis of a 360-day year of twelve 30-day months for the actual number of days elapsed.

(c) The Company may prepay all or any portion of the principal amount of this Note, together with accrued interest thereon, at any time and from time to time after the Original Issue Date without penalty or premium.

(d) As an incentive for providing the principal value of this note, the Company will provide John Paul DeJoria, or another designee of his choosing, an overriding royalty interest



(“ORRI”) of 0.25% in the Company’s Tulimaniq leases. This ORRI will be supplemental to ORRIs on the Company’s Tulimaniq leases currently held by Mr. DeJoria.

Section 1.02            Optional Conversion. (a) The unpaid principal amount of this Note, together with accrued but unpaid interest on such principal amount, shall be convertible at any time, in part or in whole, at the option of the Holder, into validly issued, fully paid and non-assessable shares of common stock, par value \$0.01 per share (the “Common Stock”), of the Company at a conversion price of \$10.00 per share (the “Conversion Price”).

(b) To convert any portion of the unpaid principal amount of this Note, together with accrued but unpaid interest on such principal amount, under this Section into shares of Common Stock on any date, the Holder shall (i) transmit by facsimile (or otherwise deliver), for receipt on or prior to 12:00 noon, eastern standard time, on such date, a copy of an executed notice of conversion in the form attached hereto as Exhibit A (the “Conversion Notice”) to the Company and (ii) surrender this Note to a nationally recognized overnight delivery service for delivery to the Company (or an indemnification undertaking with respect to this Note in the case of its loss, theft or destruction). On or before the fifth (5th) business day following the date of receipt of a Conversion Notice, the Company shall issue and deliver to the Holder at the address as specified in the Conversion Notice, a certificate, registered in the name of the Holder, for the number of shares of Common Stock to which the Holder shall be entitled.

(c) If the outstanding principal amount of this Note is greater than the principal portion of being converted, then the Company shall as soon as practicable after receipt of this Note, at its own expense, issue and deliver to the Holder a new Note representing the outstanding principal amount not converted. Such new Note (i) shall be of like tenor with this Note, (ii) shall represent, as indicated on the face of such new Note, the principal amount remaining outstanding, (iii) shall have an issuance date, as indicated on the face of such new Note, which is the same as the Original Issue Date of this Note, (iv) shall have the same rights and conditions as this Note, and (v) shall represent accrued and unpaid interest on the unpaid principal amount of this Note from the Original Issue Date.

Section 1.03            Conversion Mechanics. The date for conversion specified in the Conversion Notice shall be the “Conversion Date.” The number of shares of Common Stock issuable upon conversion of this Note shall be equal to the quotient obtained by dividing (x) the outstanding principal amount of this Note to be converted on the Conversion Date plus accrued but unpaid interest thereon by (y) the Conversion Price. No fractional shares of the Company’s Common Stock will be issued upon conversion, but the number of shares to be issued shall be rounded to the nearest whole number of shares. The calculation by the Company of the number of shares of Common Stock to be received by the Holder upon conversion hereof shall be conclusive absent manifest error.

Section 1.04            Absolute Obligation/Ranking. Except as expressly provided herein, no provision of this Note shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of, and interest on, this Note at the time, place, and rate, and in the coin or currency, herein prescribed. This Note is a direct debt obligation of the Company.

Section 1.05 Paying Agent and Registrar. Initially, the Company will act as paying agent and registrar. The Company may change any paying agent, registrar, or Company-registrar by giving the Holder not less than ten (10) business days' written notice of its election to do so, specifying the name, address, telephone number and facsimile number of the paying agent or registrar. The Company may act in any such capacity.

Section 1.06 Different Denominations. This Note is exchangeable for an equal aggregate principal amount of Notes of different authorized denominations, as requested by the Holder surrendering the same. No service charge will be made for such registration of transfer or exchange.

Section 1.07 Investment Representations. This Note has been issued subject to certain investment representations of the original Holder set forth in Exhibit B hereto and may be transferred or exchanged only in compliance with the terms hereof and applicable federal and state securities laws and regulations. The Holder hereby represents and warrants to the Company that such Holder's investment representations set forth in Exhibit B are true and correct as of the Original Issue Date.

Section 1.08 Reliance on Note Register. Prior to due presentment to the Company for transfer or conversion of this Note, the Company and any agent of the Company may treat the person in whose name this Note is duly registered on the Note Register as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Note is overdue, and neither the Company nor any such agent shall be affected by notice to the contrary.

Section 1.09 Other Rights. In addition to the rights and remedies given it by this Note, the Holder shall have all those rights and remedies allowed by applicable laws. The rights and remedies of the Holder are cumulative and recourse to one or more right or remedy shall not constitute a waiver of the others.

## Article II.

Section 2.01 Events of Default. Each of the following events shall constitute a default under this Note (each an "Event of Default"):

(a) failure by the Company to pay any principal amount or interest due hereunder within ten (10) days of the date such payment is due;

(b) failure by the Company to issue, or cause its transfer agent to issue, to the Holder the number of shares of Common Stock (if any) issuable to the Holder as a result of the conversion of this Note within fifteen (15) days after the Conversion Date;

(c) the Company shall: (i) make a general assignment for the benefit of its creditors; (ii) apply for or consent to the appointment of a receiver, trustee, assignee, custodian, sequestrator, liquidator or similar official for itself or any of its assets and properties; (iii) commence a voluntary case for relief as a debtor under the United States Bankruptcy Code; (iv) file with or otherwise submit to any governmental authority any petition, answer or other document seeking: (A) reorganization, (B) an arrangement with creditors or (C) to take

advantage of any other present or future applicable law respecting bankruptcy, reorganization, insolvency, readjustment of debts, relief of debtors, dissolution or liquidation; (5) file or otherwise submit any answer or other document admitting or failing to contest the material allegations of a petition or other document filed or otherwise submitted against it in any proceeding under any such applicable law, or (6) be adjudicated a bankrupt or insolvent by a court of competent jurisdiction;

(d) any case, proceeding or other action shall be commenced against the Company for the purpose of effecting, or an order, judgment or decree shall be entered by any court of competent jurisdiction approving (in whole or in part) anything specified in Section 2.01(c) hereof, or any receiver, trustee, assignee, custodian, sequestrator, liquidator or other official shall be appointed with respect to the Company, or shall be appointed to take or shall otherwise acquire possession or control of all or a substantial part of the assets and properties of the Company, and any of the foregoing shall continue unstayed and in effect for any period of sixty (60) days;

(e) default shall occur with respect to any indebtedness for borrowed money of the Company (including, without limitation, any other Note(s)) or under any agreement under which such indebtedness may be issued by the Company and such default shall continue for more than the period of grace, if any, therein specified, if the aggregate amount of such indebtedness for which such default shall have occurred exceeds \$250,000, provided, however, that any default existing on the date hereof with respect to any indebtedness existing on the date hereof and set forth in Schedule A attached hereto, which default has been waived in writing by the lender, shall not be deemed to be an Event of Default hereunder;

(f) default shall occur with respect to any contractual obligation of the Company under or pursuant to any contract, lease, or other agreement to which the Company is a party and such default shall continue for more than the period of grace, if any, therein specified, if the aggregate amount of the Company's contractual liability arising out of such default exceeds or is reasonably estimated to exceed \$250,000;

(g) final judgment for the payment of money in excess of \$250,000 shall be rendered against the Company and the same shall remain undischarged for a period of twenty (20) days during which execution shall not be effectively stayed; or

(h) any default, whether in whole or in part, shall occur in the due observance or performance of any obligations or other covenants, terms or provisions to be performed under this Note which is not cured by the Company within fifteen (15) days after receipt of written notice thereof.

Section 2.02 If any Event of Default specified in Section 2.01(c) or Section 2.01(d) occurs, then the full principal amount of this Note, together with any other amounts owing in respect thereof, to the date of the Event of Default, shall become immediately due and payable without any action on the part of the Holder, and if any other Event of Default occurs, the full principal amount of this Note, together with any other amounts owing in respect thereof, to the date of acceleration shall become, at the Holder's election, immediately due and payable in cash. **Commencing five (5) days after the occurrence of any Event of Default that results in**

**the eventual acceleration of this Note, interest on this Note shall begin to accrue at the rate of interest specified in Section 1.01(b) PLUS five percent (5%) per annum**, or such lower maximum amount of interest permitted to be charged under applicable law. All Notes for which the full amount hereunder shall have been paid in accordance herewith shall promptly be surrendered to or as directed by the Company. The Holder need not provide, and the Company hereby waives, any presentment, demand, protest or other notice of any kind, and the Holder may immediately and without expiration of any grace period enforce any and all of its rights and remedies hereunder and all other remedies available to it under applicable law. Such declaration may be rescinded and annulled by the Holder at any time prior to payment hereunder, and the Holder shall have all rights as a Note holder until such time, if any, as the full payment under this Section shall have been received by it. No such rescission or annulment shall affect any subsequent Event of Default or impair any right consequent thereon.

Section 2.03 If this Note is not repaid in full by the Maturity Date, the interest on this Note shall begin to accrue at the rate of 15% per annum until paid in full. In addition, for each 30-day period that this Note remains unpaid subsequent to the Maturity Date, the Holder will receive a warrant to purchase 25,000 shares of the Company's common stock for \$10 (Ten dollars) per share. Each such warrant will have a life of 5 (five) years from the date of issuance.

### **Article III.**

Section 3.01 Negative Covenant. So long as this Note shall remain in effect and until any outstanding principal and interest and all fees and all other expenses or amounts payable under this Note have been paid in full or converted as provided herein, unless the Holder shall otherwise consent in writing, the Company shall not declare or pay, directly or indirectly, any dividend or make any other distribution (by reduction of capital or otherwise), whether in cash, property, securities or a combination thereof, with respect to any shares of its capital stock or directly or indirectly redeem, purchase, retire or otherwise acquire for value any shares of any class of its capital stock or set aside any amount for any such purpose.

### **Article IV.**

Section 4.01 Transfer Restrictions. The Holder acknowledges and agrees as follows:

(a) This Note and the shares of Common Stock issuable upon conversion of this Note (the "Shares") have not been registered for sale under the Securities Act, in reliance on the private offering exemption in Section 4(2) thereof and Section 506 of Regulation D thereunder; the Company does not intend to register the Securities under the Securities Act at any time in the future; and the undersigned will not immediately be entitled to the benefits of Rule 144 with respect to the Shares.

(b) The Holder understands that the certificates representing the Shares, if any, shall bear a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of such certificates or other instruments):

**THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS**

**AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS, AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS (1) A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR (2) AN EXEMPTION FROM SUCH REGISTRATION EXISTS AND THE COMPANY RECEIVES AN OPINION OF COUNSEL TO THE HOLDER OF SUCH SECURITIES, WHICH COUNSEL AND OPINION ARE SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR TRANSFERRED IN THE MANNER CONTEMPLATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS.**

The legend set forth above shall be removed and the Company shall issue a certificate without such legend to the holder of the Shares (if applicable) upon which it is stamped, if (a) such Shares are sold pursuant to a registration statement under the Securities Act, or (b) such holder delivers to the Company an opinion of counsel, reasonably acceptable to the Company, that a disposition of the Shares is being made pursuant to an exemption from such registration and that the Shares, after such transfer, shall no longer be "restricted securities" within the meaning of Rule 144.

(c) No governmental agency has passed upon this Note or the Shares or made any finding or determination as to the wisdom of any investments therein.

(d) There are substantial restrictions on the transferability of this Note and the Shares, and if the Company decides to issue certificates representing the Shares (if applicable), restrictive legends will be placed on any such certificates.

Section 4.02 Notices. Notices regarding this Note shall be sent to the parties at the following addresses, unless a party notifies the other parties, in writing, of a change of address:

If to the Company: NordAq Energy Inc.  
3000 A Street, Suite 410  
Anchorage, AK 99503  
Attention: Paul Devine, CEO  
Telephone: 907.646.9315  
Facsimile: 907.646.9317  
Email: [PDevine@NordaqEnergy.com](mailto:PDevine@NordaqEnergy.com)

with a copy to

Gottbetter & Partners, LLP  
488 Madison Avenue, 12th Floor  
New York, New York 10022  
Facsimile Number: (212) 400-6901  
Telephone Number: (212) 400-6900  
Attention: Adam S. Gottbetter  
E-mail Address: [notices@gottbetter.com](mailto:notices@gottbetter.com)

If to the Holder: At the address provided on the Holder's signature page hereto

Section 4.03 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Note shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by any of the Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, employees or agents) shall be commenced in the state and federal courts sitting in the City of New York, Borough of Manhattan (the "New York Courts"). Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the New York Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, or such New York Courts are improper or inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Note and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Note or the transactions contemplated hereby. If either party shall commence an action or proceeding to enforce any provisions of this Note, then the prevailing party in such action or proceeding shall be

reimbursed by the other party for its attorney's fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

Section 4.04      Severability. The invalidity of any of the provisions of this Note shall not invalidate or otherwise affect any of the other provisions of this Note, which shall remain in full force and effect.

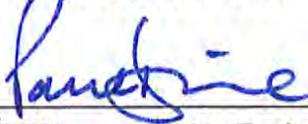
Section 4.05      Entire Agreement and Amendments. This Note represents the entire agreement between the parties hereto with respect to the subject matter hereof and there are no representations, warranties or commitments, except as set forth herein. This Note may be amended only by an instrument in writing executed by the parties hereto.

Section 4.06      Transfer. Except as provided in the next sentence, this Note shall not be transferred or assigned by the Holder without the Company's prior written consent. The Holder may transfer, with or without consideration, this Note or any portion of it to the Holder's affiliates (as such term is defined under Rule 144 of the Securities Act) without the Company's prior written consent, provided that the Holder delivers to the Company and its counsel certification, documentation and other assurances reasonably required by the Company's counsel to enable the Company's counsel to render an opinion that such transfer does not violate applicable securities laws.

*[Remainder of Page Intentionally Left Blank]*

**IN WITNESS WHEREOF**, with the intent to be legally bound hereby, the Company as executed this Note as of the date first written above.

**NORDAQ ENERGY INC.**

By:   
Name: **Paul L. Devine**  
Title: **Chief Executive Officer**

**Agreed and Accepted on  
the 2nd day of February, 2015:**

**John Paul DeJoria Family Trust**

By: \_\_\_\_\_  
Name: John Paul DeJoria  
Title: Trustee

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Telephone:  
Facsimile:

**EXHIBIT A**

**NOTICE OF CONVERSION**

**(To be executed by the Holder in order to convert the Note)**

**TO: NordAq Energy, Inc.**

The undersigned hereby irrevocably elects to convert the unpaid principal amount indicated below of the 10% Convertible Promissory Note due April 9, 2014 (the "Note") into shares of Common Stock of NordAq Energy, Inc., according to the conditions stated therein, as of the Conversion Date written below.

**Conversion Date:** \_\_\_\_\_

**Conversion Price (per share):** \$10.00

**Principal amount of Note to be converted:** \$ \_\_\_\_\_

**Principal amount of Note unconverted:** \$ \_\_\_\_\_

**Issue the shares of Common Stock in the following name and to the following address:** \_\_\_\_\_

**Issue to the following account of the Holder:** \_\_\_\_\_

**Authorized Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Phone Number:** \_\_\_\_\_

## EXHIBIT B

### Investment Representations

**Representations and Warranties of the Holder.** The Holder represents and warrants to the Company the following (capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Note):

(a) The Holder has the knowledge and experience in financial and business matters necessary to evaluate the merits and risks of its prospective investment in the Company, and has carefully reviewed and understand the risks of, and other considerations relating to, the purchase of the Note and the underlying Shares and the tax consequences of the investment, and has the ability to bear the economic risks of the investment.

(b) The Holder is acquiring the Note and the underlying Shares for investment for its own account and not with the view to, or for resale in connection with, any distribution thereof. The Holder understands and acknowledges that the Note and the underlying Shares have not been registered under the Securities Act or any state securities laws, by reason of a specific exemption from the registration provisions of the Securities Act and applicable state securities laws, which depends upon, among other things, the bona fide nature of the investment intent as expressed herein. The Holder further represents that it does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participation to any third person with respect to the Note and or any of the underlying Shares. The Holder understands and acknowledges that the offering of the Notes will not be registered under the Securities Act nor under the state securities laws on the ground that the sale provided for in this Agreement and the issuance of securities hereunder is exempt from the registration requirements of the Securities Act and any applicable state securities laws.

(c) The Holder is an “accredited investor” as defined in Rule 501 of Regulation D as promulgated by the Securities and Exchange Commission under the Securities Act, for the reason(s) specified on the Investor Certification attached as Exhibit C hereto as completed by Holder, and Holder shall submit to the Company such further assurances of such status as may be reasonably requested by the Company.

(d) The Holder understands that no public market now exists, and there may never be a public market for the Note or the underlying Shares.

(e) The Holder has received and reviewed information about the Company, including all materials provided by the Company to the Holder in connection herewith (the “Disclosure Materials”), and has had an opportunity to discuss the Company’s business, management and financial affairs with the Company’s management. The Holder understands that such discussions, as well as any Disclosure Material provided by the Company, were intended to describe the aspects of the Company’s business and prospects which the Company believes to be material, but were not necessarily a thorough or exhaustive description, and except as expressly set forth in this Agreement, the Company makes no representation or warranty with respect to the completeness of such information and makes no representation or warranty of any kind with respect to any information provided by any entity other than the Company. Some of such

information may include projections as to the future performance of the Company, which projections may not be realized, may be based on assumptions which may not be correct and may be subject to numerous factors beyond the Company's control. Additionally, the Holder understands and represents that Holder is purchasing the Note and the underlying Shares notwithstanding the fact that the Company may disclose in the future certain material information the Holder has not received, including (without limitation) its financial results for its current fiscal quarter, that Holder is not relying on any such information in connection with its purchase of the Note and the underlying Shares and that Holder waives any right of action with respect to the nondisclosure to it prior to its purchase of the Note and the underlying Shares of any such information.

(f) As of the Original Issue Date, all action on the part of Holder, and its officers, directors and partners, if applicable, necessary for the authorization, execution and delivery of the Note and the performance of all obligations of the Holder thereunder shall have been taken, and the Note, assuming due execution by the parties hereto, constitutes valid and legally binding obligations of the Holder, enforceable in accordance with its terms, subject to: (i) judicial principles limiting the availability of specific performance, injunctive relief, and other equitable remedies and (ii) bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect generally relating to or affecting creditors' rights.

(g) Holder represents that neither it nor, to its knowledge, any person or entity controlling, controlled by or under common control with it, nor any person having a beneficial interest in it, nor any person on whose behalf the Holder is acting: (i) is a person listed in the Annex to Executive Order No. 13224 (2001) issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism); (ii) is named on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Office of Foreign Assets Control; (iii) is a non-U.S. shell bank or is providing banking services indirectly to a non-U.S. shell bank; (iv) is a senior non-U.S. political figure<sup>1</sup> or an immediate family member<sup>2</sup> or close associate<sup>3</sup> of such figure; or (v) is otherwise prohibited from investing in the Company pursuant to applicable U.S. anti-money laundering, anti-terrorist and asset control laws, regulations, rules or orders (categories (i) through (v), each a "Prohibited Holder"). The Holder agrees to provide the Company, promptly upon request, all information that the Company reasonably deems necessary or appropriate to comply with applicable U.S. anti-money laundering, anti-terrorist and asset control laws, regulations, rules and orders. The Holder consents to the disclosure to U.S. regulators and law enforcement authorities by the Company and its affiliates and agents of such

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<sup>1</sup> A "senior non-U.S. political figure" is defined as a senior official in the executive, legislative, administrative, military or judicial branches of a foreign government (whether elected or not), a senior official of a major foreign political party, or a senior executive of a foreign government-owned corporation. In addition, a "senior foreign political figure" includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure.

<sup>2</sup> "Immediate family" of a senior foreign political figure typically includes the figure's parents, siblings, spouse, children and in-laws.

<sup>3</sup> A "close associate" of a senior foreign political figure is a person who is widely and publicly known to maintain an unusually close relationship with the senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of the senior foreign political figure.

information about the Holder as the Company reasonably deems necessary or appropriate to comply with applicable U.S. antimoney laundering, anti-terrorist and asset control laws, regulations, rules and orders. If the Holder is a financial institution that is subject to the USA Patriot Act, the Holder represents that it has met all of its obligations under the USA Patriot Act. The Holder acknowledges that if, following its investment in the Company, the Company reasonably believes that the Holder is a Prohibited Holder or is otherwise engaged in suspicious activity or refuses to promptly provide information that the Company requests, the Company has the right or may be obligated to prohibit additional investments, segregate the assets constituting the investment in accordance with applicable regulations or immediately require the Holder to transfer the Shares. The Holder further acknowledges that the Holder will have no claim against the Company or any of its affiliates or agents for any form of damages as a result of any of the foregoing actions.

(h) If the Holder is affiliated with a non-U.S. banking institution (a "Foreign Bank"), or if the Holder receives deposits from, makes payments on behalf of, or handles other financial transactions related to a Foreign Bank, the Holder represents and warrants to the Company that: (1) the Foreign Bank has a fixed address, other than solely an electronic address, in a country in which the Foreign Bank is authorized to conduct banking activities; (2) the Foreign Bank maintains operating records related to its banking activities; (3) the Foreign Bank is subject to inspection by the banking authority that licensed the Foreign Bank to conduct banking activities; and (4) the Foreign Bank does not provide banking services to any other Foreign Bank that does not have a physical presence in any country and that is not a regulated affiliate.

(i) The Holder realizes that because of the inherently speculative nature of businesses of the kind conducted and contemplated by the Company, the Company's financial results may be expected to fluctuate from month to month and from period to period and will, generally, involve a high degree of financial and market risk that could result in substantial or, at times, even total losses for investors in securities of the Company.

(j) The Holder has adequate means of providing for its current and anticipated financial needs and contingencies, is able to bear the economic risk for an indefinite period of time and has no need for liquidity of the investment in the Shares and could afford complete loss of such investment.

(k) The Holder is not subscribing for the Note and the underlying Shares as a result of or subsequent to any advertisement, article, notice or other communication, published in any newspaper, magazine or similar media or broadcast over television, radio, or the internet, or presented at any seminar or meeting, or any solicitation of a subscription by a person not previously known to the Holder in connection with investments in securities generally.

(l) All of the information that the Holder has heretofore furnished or which is set forth herein is correct and complete as of the Original Issue Date, and, if there should be any material change in such information prior to the admission of the undersigned to the Company, the Holder will immediately furnish revised or corrected information to the Company.

(m) **(For ERISA plans only)** The fiduciary of the ERISA plan (the "Plan") represents that such fiduciary has been informed of and understands the Company's investment

objectives, policies and strategies, and that the decision to invest “plan assets” (as such term is defined in ERISA) in the Company is consistent with the provisions of ERISA that require diversification of plan assets and impose other fiduciary responsibilities. The Holder fiduciary or Plan (a) is responsible for the decision to invest in the Company; (b) is independent of the Company or any of its affiliates; (c) is qualified to make such investment decision; and (d) in making such decision, the Purchaser fiduciary or Plan has not relied primarily on any advice or recommendation of the Company or any of its affiliates.

**EXHIBIT C**

**NORDAQ ENERGY, INC.  
INVESTOR CERTIFICATION**

**For Individual Accredited Investors Only  
(all Individual Accredited Investors must INITIAL where appropriate):**

**Initial** \_\_\_\_\_ I have a net worth a net worth (including homes, furnishings and automobiles, but excluding for these purposes the value of my primary residence) in excess of US\$1 million either individually or through aggregating his individual holdings and those in which he has a joint, community property or other similar shared ownership interest with my spouse. *(For purposes of calculating your net worth under this paragraph, (a) your primary residence shall not be included as an asset; (b) indebtedness secured by your primary residence, up to the estimated fair market value of your primary residence at the time of your purchase of the securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of your purchase of the securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of your primary residence, the amount of such excess shall be included as a liability); and (c) indebtedness that is secured by your primary residence in excess of the estimated fair market value of your primary residence at the time of your purchase of the securities shall be included as a liability.)*

**Initial** \_\_\_\_\_ I have had an annual gross income for the past two years of at least \$200,000 (or \$300,000 jointly with my spouse) and expect my income (or joint income, as appropriate) to reach the same level in the current year.

**Initial** \_\_\_\_\_ I am a director or executive officer of the Company.

**For Non-Individual Accredited Investors  
(all Non-Individual Accredited Investors must INITIAL where appropriate):**

**Initial** \_\_\_\_\_ The investor is a partnership, corporation, limited liability company or business trust that is 100% owned by persons who meet at least one of the criteria for Individual Investors set forth above.

**Initial** \_\_\_\_\_ The investor is a partnership, corporation, limited liability company or business trust that has total assets of at least \$5 million and was not formed for the purpose of investing in the Company.

**Initial** \_\_\_\_\_ The investor is an employee benefit plan whose investment decision is made by a plan fiduciary (as defined in ERISA §3(21)) that is a bank, savings and loan association, insurance company or registered investment adviser.

**Initial** \_\_\_\_\_ The investor is an employee benefit plan whose total assets exceed \$5,000,000 as of the date of this Agreement.

**Initial** \_\_\_\_\_ The investor is a self-directed employee benefit plan whose investment decisions are made solely by persons who meet either of the criteria for Individual Investors.

**Initial** \_\_\_\_\_ The investor is a U.S. bank, U.S. savings and loan association or other similar U.S. institution acting in its individual or fiduciary capacity.

**Initial** \_\_\_\_\_ The undersigned is a broker-dealer registered pursuant to §15 of the Securities Exchange Act of 1934.

**Initial** \_\_\_\_\_ The investor is an organization described in §501(c)(3) of the Internal Revenue Code with total assets exceeding \$5,000,000 and not formed for the specific purpose of investing in the Company.

**Initial** \_\_\_\_\_ The investor is a trust with total assets of at least \$5,000,000, not formed for the specific purpose of investing in the Company, and whose purchase is directed by a person with such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment.

**Initial** \_\_\_\_\_ The investor is a plan established and maintained by a state or its political subdivisions, or any agency or instrumentality thereof, for the benefit of its employees, and which has total assets in excess of \$5,000,000.

**Initial** \_\_\_\_\_ The investor is an insurance company as defined in §2(13) of the Securities Act, or a registered investment company.

## Exhibit 3

**BAKER BOTTS** LLP

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HONG KONG SAN FRANCISCO  
HOUSTON WASHINGTON

November 3, 2016

Emanuel C. Grillo  
TEL: 2124082519  
FAX: 2122592519  
emanuel.grillo@bakerbotts.com

VIA ELECTRONIC MAIL &  
OVERNIGHT COURIER

NordAq Energy, Inc.  
560 East 34<sup>th</sup> Avenue, Suite 200  
Anchorage, Alaska 99503  
Attention: Board of Directors

Re: NordAq Energy Inc. Notes (NOTICE OF INTENTION TO COMMENCE  
ACTION)

Ladies and Gentlemen:

Please be advised that this firm represents the John Paul DeJoria Family Trust (the “DeJoria Trust”) with respect to the following convertible promissory notes (collectively, the “Notes”) to which reference is hereby made:

- 10% Convertible Promissory Note, dated October 22, 2014 and due October 22, 2015, issued by NordAq Energy, Inc. (the “Company”) to the DeJoria Trust in the amount of \$10,000,000.00 (as amended from time to time, the “October Note”); and
- 10% Convertible Promissory Note, dated February 2, 2015 and due July 31, 2015, issued by the Company to the DeJoria Trust in the amount of \$5,000,000.00 (as amended from time to time, the “February Note”).

In addition, further reference is made to that certain reservation of rights letter to the Company by the DeJoria Trust dated October 19, 2016.

The Company failed to pay the outstanding principal and interest on the October Note and the February Note upon their respective maturity dates. Consequently, an Event of Default has occurred under each Note and all amounts outstanding under and in connection with the Notes is due and payable. As of the date hereof, the amounts due are not less than:

October Note	\$ 12,599,132
February Note	\$ 6,203,637

**BAKER BOTTS** LLP

NordAq Energy, Inc.

- 2 -

November 3, 2016

Such amounts remain unpaid by the Company under each agreement and continue to accrue interest at the agreed default rate. Moreover, the DeJoria Trust continues to incur expenses associated with the collection of the Notes which shall be added to the foregoing amounts. The DeJoria Trust again demands immediate payment of all outstanding amounts plus fees and costs.

Please be advised that the letter dated October 31, 2016 by the Company to Mr. DeJoria has been forwarded to us to address as part of this response. The DeJoria Trust has designated Andrew Knott as its representative to address all matters relating to the DeJoria Trust's investment in the Company. Without regard to, or consideration of, the allegations in the Company's letter with respect to Mr. Devine, he is not acting on behalf of the DeJoria Trust. Therefore, if you would like to discuss the foregoing obligations or any other commercial matters with respect to the DeJoria Trust, you are instructed and encouraged to contact Andrew Knott by either email ([andrew@lothian-partners.com](mailto:andrew@lothian-partners.com)) or phone (+44 7554 436 139). Mr. Knott has been authorized to hold such discussions on behalf of the DeJoria Trust.

Notwithstanding the foregoing, please be advised that the DeJoria Trust intends to exercise all rights and remedies to collect the amounts due and owing, including the commencement of legal action without further notice if payment of the foregoing amounts is not made immediately.

Very truly yours,



Emanuel C. Grillo

EG

cc: Mr. John Paul DeJoria  
Mr. Andrew Knott