

**EXHIBIT A**

**PINK SHEETS LLC.  
ISSUER'S CONTINUING DISCLOSURE  
For the Period Ending 6/30/2011**

**Item 1 Exact name of the issuer and the address of its principal executive offices.**

Hallmark Venture Group  
18482 Park Villa Place, Villa Park, California 92861

**Item 2 Shares Outstanding.**

Total number of outstanding shares as of 6/30/2011 was 3,514,847

**Item 3 Interim Financial Statements**

**HALLMARK VENTURE GROUP, INC.  
BALANCE SHEET  
FOR THE FISCAL YEAR END JUNE 30, 2011 AND 2010**

	<u>Jun 30, 11</u>	<u>Jun 30, 10</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Checking/Savings		
Cash in Bank		
Wells Fargo-Savings Acct	474.81	4.64
Wells Fargo General Acct	23,063.74	2,717.45
<b>Total Cash in Bank</b>	<u>23,538.55</u>	<u>2,722.09</u>
<b>Total Checking/Savings</b>	<u>23,538.55</u>	<u>2,722.09</u>
Accounts Receivable		
Accounts Receivable	7,000.00	12,273.72
<b>Total Accounts Receivable</b>	<u>7,000.00</u>	<u>12,273.72</u>
Other Current Assets		
Investments		
Appamada Creative Group	49,410.40	12,160.40
CFS, Inc.	21,021.93	29,521.93
DKD Distributing, Inc.	3,363.00	3,363.00
Humble Energy, Inc.	43,973.67	36,245.97
HVG, Inc.	37,969.91	4,919.91
Orbital Enterprises, Inc.	20,406.66	2,406.66
Orbital Laboratories, Inc.	300.00	0.00
Service Team Inc.	1,826.00	0.00
Universal Golf Tech	23,890.00	0.00
<b>Total Investments</b>	<u>202,161.57</u>	<u>88,617.87</u>

<b>Total Other Current Assets</b>	<u>202,161.57</u>	<u>88,617.87</u>
<b>Total Current Assets</b>	<u>232,700.12</u>	<u>103,613.68</u>
<b>Fixed Assets</b>		
<b>Accumulated Depreciation</b>	-2,352.00	-1,568.00
<b>Furniture and Equipment</b>	6,305.87	3,920.00
<b>Total Fixed Assets</b>	<u>3,953.87</u>	<u>2,352.00</u>
<b>Other Assets</b>		
<b>Deposit on Building</b>	30,000.00	0.00
<b>Note Receivable- HVG, Inc.</b>	352,190.00	345,530.00
<b>Note Receivable - Humble</b>	0.00	3,500.00
<b>Note Receivable - U.S. Affiliat</b>	134,119.00	131,119.00
<b>Total Other Assets</b>	<u>516,309.00</u>	<u>480,149.00</u>
<b>TOTAL ASSETS</b>	<u><b>752,962.99</b></u>	<u><b>586,114.68</b></u>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Other Current Liabilities</b>		
<b>Notes Payable</b>		
<b>BOFA Loan</b>	93,946.27	97,310.63
<b>G Small</b>	54,166.00	57,166.00
<b>Jay's Aircraft Note</b>	6,885.59	16,210.59
<b>Kressin Family Trust Note</b>	46,400.00	44,375.00
<b>Note Payable Bethel, P.</b>	15,000.00	0.00
<b>Note Payable Patty</b>	15,000.00	0.00
<b>Total Notes Payable</b>	<u>231,397.86</u>	<u>215,062.22</u>
<b>Total Other Current Liabilities</b>	<u>231,397.86</u>	<u>215,062.22</u>
<b>Total Current Liabilities</b>	<u>231,397.86</u>	<u>215,062.22</u>
<b>Total Liabilities</b>	<u>231,397.86</u>	<u>215,062.22</u>
<b>Equity</b>		
<b>Capital Stock</b>	15,465.00	3,108.00
<b>Paid in capital</b>	477,465.68	362,822.68
<b>Preferred Stock</b>	87.00	87.00
<b>Retained Earnings</b>	5,034.78	-11,055.37
<b>Net Income</b>	23,512.67	16,090.15
<b>Total Equity</b>	<u>521,565.13</u>	<u>371,052.46</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>752,962.99</b></u>	<u><b>586,114.68</b></u>

**HALLMARK VENTURE GROUP, INC.**  
**PROFIT & LOSS STATEMENT**  
**For the Fiscal Year End June 30, 2011 and 2010**

	<u>Jul '10 - Jun 11</u>	<u>Jul '09 - Jun 10</u>
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
Consulting Income	41,594.87	52,800.00
Interest Income	9,660.00	5,615.00
Sales of Stock	204,800.00	0.00
Uncategorized Income	0.00	24,335.29
<b>Total Income</b>	<u>256,054.87</u>	<u>82,750.29</u>
<b>Expenses</b>		
Advertising and Promotion	126.63	1,620.00
Automobile Expense	10,696.62	4,661.44
Bank Service Charges	1,005.97	1,292.50
Business Licenses and Permits	0.00	0.00
Clerical Expense	6,402.10	1,900.00
Computer and Internet Expenses	1,122.50	637.20
Corporate Stock Transfer	2,686.17	3,254.79
Depreciation Expense	784.00	588.00
Dues and Subscriptions	100.00	0.00
Filing Fees	10,863.95	5,922.52
Interest Expense	10,927.34	11,238.46
Legal Fees	19,125.00	1,808.00
Meals and Entertainment	500.00	0.00
Office Supplies	2,211.83	1,152.64
Postage and Delivery	8,061.89	2,447.15
Printing and Reproduction	0.00	4,417.42
Professional Fees		
Auditing	10,000.00	0.00
Consulting Services	116,797.49	14,850.00
Professional Fees - Other	8,287.00	0.00
<b>Total Professional Fees</b>	<u>135,084.49</u>	<u>14,850.00</u>
Reconciliation Discrepancies	0.00	0.00
Rent Expense	4,865.95	0.00
Repairs and Maintenance	3,024.65	390.43
Telephone Expense	2,691.15	3,256.43
Travel Expense	11,314.57	6,600.00
Utilities	947.39	623.16
<b>Total Expense</b>	<u>232,542.20</u>	<u>66,660.14</u>
<b>Net Ordinary Income</b>	<u>23,512.67</u>	<u>16,090.15</u>
<b>Other Income/Expense</b>		
<b>Other Expense</b>		

Ask My Accountant	0.00	0.00
Total Other Expense	<u>0.00</u>	<u>0.00</u>
Net Other Income	0.00	0.00
Net Income	<u>23,512.67</u>	<u>16,090.15</u>

**HALLMARK VENTURE GROUP, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEAR END JUNE 30, 2011**

	<u>Jul '10 - Jun 11</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	23,512.67
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	5,273.72
Investments:Appamada Creative Group	-37,250.00
Investments:CFS, Inc.	8,500.00
Investments:Humble Energy, Inc.	-7,727.70
Investments:HVG,Inc.	-33,050.00
Investments:Orbital Enterprises, Inc.	-18,000.00
Investments:Orbital Laboratories, Inc.	-300.00
Investments:Service Team Inc.	-1,826.00
Investments:Universal Golf Tech	-23,890.00
Notes Payable:BOFA Loan	-3,364.36
Notes Payable:G Small	-3,000.00
Notes Payable:Jay's Aircraft Note	-9,325.00
Notes Payable:Kressin Family Trust Note	2,025.00
Notes Payable>Note Payable Bethel, P.	15,000.00
Notes Payable>Note Payable Patty	15,000.00
Net cash provided by Operating Activities	<u>-68,421.67</u>
<b>INVESTING ACTIVITIES</b>	
Accumulated Depreciation	784.00
Furniture and Equipment	-2,385.87
Deposit on Building	-30,000.00
Note Receivable- HVG, Inc.	-6,660.00
Note Receivable - Humble	3,500.00
Note Receivable - U.S. Affiliat	-3,000.00
Net cash provided by Investing Activities	<u>-37,761.87</u>
<b>FINANCING ACTIVITIES</b>	
Capital Stock	12,357.00
Paid in capital	<u>114,643.00</u>

Net cash provided by Financing Activities	127,000.00
Net cash increase for period	20,816.46
Cash at beginning of period	2,722.09
Cash at end of period	<u>23,538.55</u>

**HALLMARK VENTURE GROUP, INC.  
STATEMENT OF SHAREHOLDER EQUITY  
FOR THE PERIOD OF JULY 1, 2008,  
TO JUNE 30, 2011**

**COMMON STOCK**

	SHARES	VALUE	SHAREHOLDERS
Balance July 1, 2008	2,250,000	\$2,250	
Shares Canceled	-362,253	(\$362)	
Shares Issued	69,500	\$70	
Balance December 31, 2008	1,957,247	\$1,957	1,835
Shares Canceled	-150,000		
Preferred Shares Converted	800,000		
Shares Issued	103,500		
Balance March 31, 2009	2,670,758	\$2,671	1,862
Shares Canceled	0		
Shares Issued	0		
Balance June 30, 2009	2,670,758	\$2,671	1,862
Shares Canceled	58,511		
Shares Issued	0		
Balance September 30, 2009	2,612,247	\$2,612	1,863
Shares Canceled	10,006		
Shares Issued	506,006		
Balance December 31, 2009	3,108,247	\$3,108	1,864
Shares Canceled	0		
Shares Issued	0		

Balance March 31, 2010	3,108,247	\$3,108	1,864
Shares Canceled	0		
Shares Issued	0		
Balance June 30, 2010	3,108,247	\$3,108	1,864
Shares Canceled	0	0	0
Shares Issued	55,000	\$754	2
Balance September 30, 2010	3,163,247	\$3,163	1,866
Shares Canceled	0	0	0
Shares Issued	301,600	\$302	3
Balance December 31, 2010	3,464,847	\$3,465	1,869
Shares Canceled	0	0	0
Shares Issued	50,000	\$12,000	3
Balance March 31, 2011	3,514,847	\$15,465	1,872
Shares Canceled	0	0	0
Shares Issued	0	0	0
Balance June 30, 2011	3,514,847	\$15,465	1,872

**HALLMARK VENTURE GROUP, INC.  
STATEMENT OF SHAREHOLDER EQUITY  
FOR THE PERIOD JULY 1, 2008 TO JUNE  
30, 2011**

**PREFERRED STOCK**

	<b>SHARES</b>	<b>\$ Value</b>
Balance July 1, 2008	100,000	100
Shares Canceled	0	0
Shares Issued	0	0
Balance December 31, 2008	100,000	100
Shares Canceled	0	0
Preferred Shares Converted		
Shares Issued	0	0
Balance March 31, 2009	100,000	100
Shares Canceled	-13,000	-13
Shares Issued	0	0
Balance June 30, 2009	87,000	87
Shares Canceled	0	0
Shares Issued	0	0
Balance September 30, 2009	87,000	87
Shares Canceled	0	0

Shares Issued	0	0
Balance December 31, 2009	87,000	87
Shares Canceled	0	0
Shares Issued	0	0
Balance March 31, 2010	87,000	87
Shares Canceled	0	0
Shares Issued	0	0
Balance June 30, 2010	87,000	87
Shares Canceled	0	0
Shares Issued	0	0
Balance September 30, 2010	87,000	87
Shares Canceled	0	0
Shares Issued	0	0
Balance December 31, 2010	87,000	87
Shares Canceled	0	0
Shares Issued	0	0
Balance March 31, 2011	87,000	87
Shares Canceled	0	0
Shares Issued	0	0
Balance June 30, 2011	87,000	87

**HALLMARK VENTURE GROUP, INC.  
NOTES TO UNAUDITED FINANCIAL STATEMENTS  
JUNE 30, 2011**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

All significant inter-company transactions have been eliminated in the preparation of these financial statements.

**History**

Hallmark Venture Group, Inc. was originally incorporated in the state of Colorado on July 14, 1995, with the name CPC Office Systems, Inc. In July, 1999, the Company changed its name to Homesmart USA, Inc. On March 8, 2005, the Company moved its domicile to Nevada and changed its name to Smart Truck Systems, Inc. On June 12, 2008, the Company changed its name to Hallmark Venture Group, Inc

**Cash and Cash Equivalents**

For the purposes of the Statement of Cash Flow, the Company considers all short term debt to be cash equivalents. There was no cash paid for interest or income taxes during the periods.

#### Inventories

Inventories are valued at the lower of cost or market basis using the first end, first out method of costing. There were no inventories on June 30, 2011.

#### Property and Equipment

Property and equipment are carried at cost. Maintenance repairs and renewals are expensed as incurred. Depreciation of property and equipment is provided for on a straight line basis over their estimated useful lives as follows:

Office Equipment	Five Years
Computers	Five Years

#### Investments

Hallmark Venture Group, Inc. exchanges services, invests in, and pays some costs in developing its client companies. The investment in these companies is carried at actual costs incurred. The services of Hallmark Venture Group, Inc. and/or its management are valued at zero. Hallmark Venture Group, Inc. considers the investment in these companies as research and development of products for future sale.

#### Warranty Reserves

Hallmark Venture Group, Inc. does not sell products. All products are sold by companies in which Hallmark has investments.

#### Income Taxes

There are no taxes due at this time.

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### **NOTE 2-ASSET PURCHASE AGREEMENT**

On September 1, 2008, Robert L. Cashman exchanged a Note from HVG, Inc. dba Delta Stag Truck Body in the amount of \$300,000 for 75,000 shares of preferred stock of Hallmark Venture Group, Inc. Cashman had previously purchased the company, Delta Stag Corporation from Reading National Bank of Reading, Pennsylvania and Zeke Feinberg for \$1,250,000. Cashman then sold the company for \$650,000 and a Note for \$300,000. Cashman then exchanged that Note for the preferred shares.

On September 1, 2008, Hallmark Venture Group, Inc. purchased the assets and business of Dopamine Beverage Company, Inc., for five hundred thousand shares (500,000) of Hallmark Venture Group, Inc. common stock. The assets acquired in this transaction are not revenue producing and, therefore, no value has been placed on these assets in this financial report.



On July 20, 2010, Hallmark Venture Group, Inc. purchased 300,000 shares of Humble Energy, Inc. (HUML) from Orbital Enterprises, Inc. for \$16,000.

### **NOTE 3-EQUITY**

#### **Common Stock**

As of June 30, 2011, the Company had 50,000,000 common shares authorized with a par value of \$.001 per share. There are 3,514,847 shares outstanding as of June 30, 2011.

#### **Preferred Stock**

The Company is authorized to issue 100,000 shares preferred stock \$.001 par value and has 87,000 shares of preferred stock outstanding as of June 30, 2011

### **NOTE 4-RELATED PARTIES**

On September 1, 2008, Robert L. Cashman exchanged a Note from HVG, Inc. dba Delta Stag Truck Body in the amount of \$300,000 for 75,000 shares of preferred stock of Hallmark Venture Group, Inc. Cashman had previously purchased the company, Delta Stag Corporation from Reading National Bank of Reading, Pennsylvania and Zeke Feinberg for \$1,250,000. Cashman then sold the company for \$650,000 and a Note for \$300,000. Cashman then exchanged that Note for the preferred shares.

On July 20, 2010, Hallmark Venture Group, Inc. purchased 300,000 shares of Humble Energy, Inc. (HUML) from Orbital Enterprises, Inc. for \$16,000. Robert L. Cashman serves as a Director and Chief Financial Officer of Orbital Enterprises, Inc.

Robert L. Cashman has loaned Hallmark Venture Group, Inc., \$100,000 by obtaining an equity line of credit on his residence from Bank of America for use by Hallmark Venture Group, Inc.

Hallmark Venture Group, Inc. occupies 300 square feet of office space in the residence of Robert L. Cashman at 18482 Park Villa Place, Villa Park, California 92861.

### **NOTE 5-COMMITMENTS**

Hallmark Venture Group, Inc. has assumed the following notes in the process of organizing this Company:

<b><u>NAME</u></b>	<b><u>BALANCE 6-30-2011</u></b>	<b><u>DUE DATE</u></b>
Bank of America (1)	93,946.27	Open
CPE, Inc.	0	--
Gary Small (2)	54,166.00	Extended-Past Due
Kressin Family Trust (2)	46,400.00	Extended-Past Due
Jay's Aircraft (2)	6,885.59	Extended-Past Due
Bethel, P. (4)	15,000.00	7/10/2012
Patty, C. (3)	15,000.00	7/15/2012

- (1) Equity line of credit on residence owned by Robert L. Cashman
- (2) Hallmark Venture Group, Inc. is past due on these Notes. The holders of the Notes have extended the time for payment.
- (3) Hallmark Venture Group, Inc. borrowed \$42,500 from C. Patty. The date of the Note is July 15, 2011. \$15,000 of the amount was paid to Hallmark Venture Group, Inc. on June 21, 2011, and the balance of \$27,500 was paid to Hallmark Venture Group, Inc. on July 9, 2011. The Note bears interest at the rate of 12.5% per year.
- (4) Hallmark Venture Group, Inc. borrowed \$42,000 from P. Bethel. The date of the Note is July 10, 2011. \$15,000 was paid on June 23, 2011 and the balance of \$27,000 was paid to Hallmark Venture Group, Inc. on July 9, 2011. The Note bears interest at the rate of 12.5% per year.

#### **Item 4 Management's discussion and analysis or plan of operation.**

Hallmark Venture Group, Inc., (OTC Pink Sheets HLLK) provides merchant banking, consulting and financial services to client companies. Hallmark is uniquely positioned to identify and take advantage of merchant banking opportunities through a network of financial advisors and clients in various industries, including the brokerage, Internet, manufacturing and technical marketplace.

Hallmark Venture Group, Inc. specializes in investing in companies that have a potential to grow rapidly. Hallmark Venture Group, Inc. will acquire all or part of these companies on a basis whereby their value will increase three or four times as soon as they are taken public or sold.

Hallmark Venture Group, Inc., will arrange for auditing, accurate bookkeeping services, and business consulting to position the client companies to go public within one year of the time of its investment.

The Hallmark Venture Group, Inc., management has a great deal of experience in mergers, acquisitions, and positioning companies to go public. Hallmark Venture Group, Inc. has developed a unique niche in the financial market, taking small companies public. In the valuation of a business a publicly traded company listed on the OTC Bulletin Board is generally worth four to five times the value of the same company privately held. Hallmark Venture Group, Inc. has developed a very simple formula of staying "under the radar" of most regulations in taking small companies public. The companies are structured so there is very little for an auditor or a regulator to examine and, in turn, delay the process. New regulations from the Securities Exchange Commission in November, 2008, practically eliminated the use of shell companies in taking companies public. This created a tremendous opportunity for Hallmark Venture Group, Inc.

If Hallmark Venture Group, Inc. takes a company public it receives stock in the company and a small fee. The fee, usually \$5,000, plus 500,000 shares of stock which the company can sell for at least fifty cents a share and, in most cases, more. Hallmark Venture Group, Inc. in its present form can complete about four transactions a year; or,

gross income of approximately two million dollars per year. In addition, Mr. Cashman earns consulting fees from several other companies. Hallmark Venture Group, Inc. has approximately three and one-half million shares outstanding which equates to an earnings per share of approximately 50 cents. Hallmark Venture Group, Inc. has a waiting list of companies who wish to retain its services.

Hallmark Venture Group, Inc. prefers to invest a relatively small amount of time and money in each of its client companies, usually \$500,000 or less. This spreading of the risk minimizes the potential loss to Hallmark Venture Group, Inc. if one of its client companies is unsuccessful.

Hallmark Venture Group, Inc. currently has 10 companies in its production pipe line. Two companies have received symbols to trade on the OTC Pink Sheets. Company management anticipates three other companies will receive symbols to trade on the OTC Bulletin Board within the next six months. Hallmark Venture Group, Inc. anticipates that it will start selling stock in these companies in the fourth quarter of 2011. This will develop a cash flow to fund the company. In the short term, the period from now until the fourth quarter of 2011 Hallmark Venture Group, Inc. is interested in selling its own stock and/or stock that it has acquired for services from its client companies to continue its growth

The depressed business climate has affected several of the client companies; however, all but one of the companies have adapted to this new environment and are moving forward on their business plans. The fact that we are able to liquidate one of our investments and still have a good year, supports our concept of investing in several small companies to spread our risk. Hallmark Venture Group, Inc. became profitable during the year ending June 30, 2010, earning a profit for the year of \$16,090.15. In the fiscal year ending June 30, 2011, Hallmark Venture Group, Inc. earned a profit of \$23,512.67. Hallmark Venture Group, Inc. invested in the year ending June 30, 2011, the legal and auditing expenses to take three new companies public. These investments created significant operating expenses. Even with these expenses, the company was able to maintain its profitability while positioning itself for significant growth in the next fiscal year.

Hallmark Venture Group, Inc. has re-structured its holdings in preparation for auditing and filings Registration Statements to become fully reporting to the Securities Exchange Commission and move the company to the OTC Bulletin Board. The company has retained a Certified Public Accounting Firm which is active in auditing public companies to audit the books and records of the company.

### **Information About Current Holdings**

1. Appamada Creative Group, Inc. -- Hallmark Venture Group, Inc. owns 500,000 shares of a total of 2,823,000 shares outstanding. This represents 17.7% ownership. Hallmark Venture Group, Inc.'s percent of ownership will be diluted as the company sells shares in the market. Hallmark Venture Group, Inc. will eventually own about 5% of the outstanding shares. Taira Soo, President of Appamada Creative Group,

Inc., started the company in the fall of 2009, called Little Society, Inc. She wished to raise some money and go public. We organized a Nevada Holding Company, Appamada Creative Group, Inc., in November, 2009, that acquired 100% of her California company, Little Society, Inc. We filed a Form D with the SEC and prepared a PPM to raise some money. As soon as we complete an audit we will file a Registration Statement to list the company on the Bulletin Board. The company has successfully sold its spring and fall 2010 products and is currently selling its spring 2011 collection of products. The company has approximately 30 retail stores that distribute its clothing line. Nordstoms Department Stores is the largest single customer with approximately 20% of its sales. 2011 sales are projected to be \$200,000. The company has had some excellent publicity in the clothing industry magazines including “Women’s Wear Daily” and :Tot Trends Weekly.” The company is ideally positioned for public offering and has the ability to grow rapidly. Its web site is: [www.littlesociety.com](http://www.littlesociety.com)

2. DKD Distributing, Inc. – Hallmark Venture Group, Inc. owns 1,000,000 shares of a total of 4,655,000 shares outstanding. This represents 21.5 percent ownership. DKD Distributing, Inc. has acquired 51% of the stock of Dopamine Beverage Company, Inc. from Orbital Enterprises, Inc. for 480,000 shares of Hallmark Venture Group, Inc. stock. DKD Distributing, Inc. has also acquired an assignment of a Judgment against Dopamine Beverage Company, Inc. from Dean DeStefani for 20,000 shares of Hallmark Venture Group, Inc. stock. We are in the process of reorganizing the company and anticipate aggressively developing the company in the future.. Its web site is: [www.dopamineenergydrink.com](http://www.dopamineenergydrink.com)
3. Humble Energy, Inc. -- Hallmark Venture Group, Inc. owns 800,000 shares of a total of 10,854,698 shares outstanding. This represents 7.6 percent ownership. In November, 2008, Hallmark Venture Group, Inc. took a public shell that we owned (Tempest Trading Technologies, Inc.), reorganized it into Humble Energy, Inc. and acquired the royalty rights of 83 producing gas and oil wells. The company owns the royalty rights to the wells and not the actual wells. For the fourteenth month period ending December 31, 2009, the company had income of \$90,007 which produced a net profit after expenses of \$12,193. The company is listed on the OTC Pink Sheets using the symbol HUML. The company has completed the process of being audited and is now preparing a Registration Statement to be filed with the Securities and Exchange Commission in preparation for becoming full reporting in the SEC system. Hallmark Venture Group, Inc. was able to acquire 300,000 shares of Humble Energy, Inc. for a purchase price of \$16,000, increasing our holdings to 800,000 shares. Its web site is: [www.humblepetroleuminc.com](http://www.humblepetroleuminc.com)

4. HVG, Inc. – Hallmark Venture Group, Inc. owns a Note from HVG, Inc. in the amount of \$352,290.00 which includes interest up to June 30, 2011. The Note has a provision that at Hallmark Venture Group, Inc.’s option the Note may be converted to 300 shares of a total of 1,000 shares outstanding. This could give Hallmark Venture Group, Inc. 30% of the ownership if the Note is converted to stock. Robert L. Cashman purchased the company named Delta Stag Corp which later became HVG, Inc. on March 1, 1988 for \$1,250,000. This represented 100% of the company. In July, 1990, Cashman sold 70% of the company to his brother, George Cashman, for \$650,000 and a note for \$300,000. Cashman’s brother, George, sold his interest to U. S. Affiliated, Inc. on November 1, 2005. Mr. Robert L. Cashman contributed his Note for \$300,000, plus interest, to Hallmark Venture Group, Inc. in exchange for stock in Hallmark Venture Group, Inc. The Note for \$300,000 can be converted to stock under certain circumstances outlined in the Note. HVG, Inc. dba Delta Stag Truck Body for the year 2008 had sales of \$4,607,218 and profits of \$416,000. For the year 2009 the company had sales of \$1,560,509 and an operating loss of \$110,000. For the year 2011 the company had sales of \$1,156,000 and operating profit of \$2,700. The business has leveled off and the company has restructured itself to continue being profitable in the year 2011. You can review its web site: [www.deltastag.com](http://www.deltastag.com)
5. Orbital Enterprises, Inc. -- Hallmark Venture Group, Inc. acquired a Note from an Orbital Enterprises, Inc. investor for 200,000 shares of Hallmark Venture Group, Inc. common stock. Hallmark Venture Group, Inc. on June 15, 2011, foreclosed on all the assets of Orbital Enterprises, Inc. and took possession of the assets. Hallmark Venture Group, Inc. is in the process of reorganizing Orbital Enterprises, Inc. into two companies: Orbital Laboratories, Inc. and Service Team Inc. Shares of stock in the new companies will be distributed to the investors in Orbital Enterprises, Inc. Hallmark Venture Group, Inc. has taken this action to preserve the interest of the investors of Orbital Enterprises, Inc. to the greatest extent possible.
6. Fusion Golf Shafts, Inc. also known as Universal Golf Technology, Inc.-- Hallmark Venture Group, Inc. owns 500,000 shares of a total of 1,943,000 shares outstanding. This represents 25.7 percent ownership. Fusion Golf Shafts, Inc. is a manufacturer and distributor of innovative golf shafts used in playing golf. Fusion Golf Shafts, Inc. feature a flex wound manufacturing method making it one of the most stable shafts available in the market. The shafts are sold through major distributors who may attach a golf head or may sell it to an individual who can select his/her own golf head for a custom club. Most professional tournament golf players select their own shafts and heads in this manner. In the recent Masters Tournament held in Georgia, 14 of the players used Fusion Golf Shafts on their clubs. From the company’s inception, April 7, 2009, through December 31, 2009, the company had sales of \$34,335 and a net loss of \$18,500. The company has been going through a

reorganization and moved its headquarters to Las Vegas, Nevada, during the year 2010. The company is changing its name to Universal Golf Technology, Inc. to better able it to market additional golf products. The company's web site is under construction at this time.

7. Fuel Technology Products, Inc. – Hallmark Venture Group, Inc. owns 500,000 shares of a total of approximately two million shares outstanding. The company has acquired the exclusive worldwide rights for on-highway applications of a hydro generation device. This device properly installed on diesel engines substantially increases fuel economy and reduces pollution. The device has patents pending and has been awarded an executive order by the California Air Resources Board (ARB) that allows it to be offered for sale for on-highway applications in the state of California. Only devices that have been issued an executive order or other specific approval by the Air Resources Board can be legally sold in the USA. The company has now completed its audit and will be filing its Registration Statement with the SEC to start trading its stock. The company's web site is: <http://fueltecplus.com>
8. Envirolite, Inc. - Envirolite, Inc. is a high technology company that manufacturers proprietary energy efficient products. The company's principle product at this time is a power disc. A power disc is a patented technology that converts standard 120 volt 60 cycle alternating current to pulsating direct current at approximately 85 volts. By lowering the voltage, the 100 watt light bulb operates at 58 watts resulting in a reduced energy consumption. This results in a light bulb filaments burning at a much cooler temperature than with standard alternating current power. Since the life of the bulb is directly related to the degree at which the filament burns, a standard incandescent bulb with a life of 750 hours will now burn 75,000 hours; or, roughly eight and one-half years. Envirolite, Inc. is now preparing for a public offering. The initial "Friends and Family" Offering is now in progress and will be closed in July, 2011. The audit and SEC filings will take place at that time. It is reasonable to expect the company to have its initial public offering in the fall of 2011.
9. U S Brazil Mining, Inc. – U S Brazil Mining, Inc. is a Nevada corporation to mine manganese and copper in Brazil and the United States. The company has options or leases on properties in Brazil to mine manganese. The company also has authorizations from the Brazilian government to conduct mining operations. The company has commitments from steel manufacturers located in China to buy all the manganese that they are able to mine. The company is in the organizational stage at this time.

Hallmark Venture Group, Inc. has several other potential companies in the process of development.

Hallmark Venture Group, Inc. has also acquired a public shell company that is listed on the Pink Sheets. We are considering several merger opportunities for this entity.

Hallmark Venture Group, Inc. has completed a very good year even though we have elected to liquidate one of our investments (Artistic Group, Inc.). We have been able to successfully acquire investments at very distressed prices or trade our services for equity in the companies. We have been able to grow in both volume and profitability in this distressed economy.

#### ASSETS AT COST

HALLMARK VENTURE GROUP, INC.		
June 30, 2011		
<u>NAME</u>	<u>% OWNED **</u>	<u>COST \$</u>
Appamada Creative Group, Inc.	17.70%	49,410.40
DKD Distributing, Inc.	21.50%	3,363.00
Humble Energy, Inc.	7.6%	43,973.67
CFS, Inc.	29%	21,021.93
HVG, Inc.	0%	37,969.91
Orbital Enterprises, Inc.	***	20,406.66
Fusion Golf Shafts, Inc.	25.70%	2,126.00
Universal Golf Tech		23,890.00
	TOTAL	<u>202,161.57</u>

\*\* Hallmark Venture Group, Inc.'s percent of stock owned is diluted as additional shares in the company are sold.

\*\*\*Orbital Enterprises, Inc. is in the process of being reorganized into two companies: Orbital Laboratories, Inc. and Service Team Inc. The actual ownership percentages will not be determined until the completion of the reorganization.

#### **Item 5 Legal proceedings.**

None

#### **Item 6 Defaults upon senior securities.**

None

**Item 7 Other information.**

None

**Item 8 Exhibits.**

None

**Item 9 Certifications.**

I, Robert L. Cashman, certified that:

- (1) I have reviewed the Issuer's Continuing Disclosure Statement of Hallmark Venture Group, Inc.
- (2) Based on my knowledge, this Disclosure Statement does not contain any untrue statement of material fact, or omit to state a material fact necessary to make the statements made, in light of the circumstances under which statements were made, not misleading with respect to the period covered by this Disclosure Statement and
- (3) Based on my knowledge, the financial statements and other financial information included or incorporated by reference in this Disclosure Statement fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the period presented in this Disclosure Statement.

Date: July 9, 2011

/s/ Robert L. Cashman

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Robert L. Cashman, President, Secretary, and Chief Financial Officer