

**IN THE MATTER OF THE *SECURITIES ACT*
R.S.O. 1990, c.S.5, AS AMENDED**

AND

ROBERT KASNER

**SETTLEMENT AGREEMENT BETWEEN
ROBERT KASNER and
STAFF OF THE ONTARIO SECURITIES COMMISSION**

I. INTRODUCTION

1. By Notice of Hearing dated April 17, 2007, the Commission announced that it proposed to hold a hearing to consider whether, pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5 (the “*Act*”), it is in the public interest for the Commission to make an order approving the settlement agreement entered into between Staff of the Commission and the respondent Robert Kasner.

II. JOINT SETTLEMENT RECOMMENDATION

2. Staff of the Commission (“Staff”) recommend settlement with Robert Kasner (also referred to hereafter as the “Respondent”) in accordance with the terms and conditions set out below. The Respondent agrees to the settlement on the basis of the facts set out in Part IV herein and consents to the making of an Order in the form attached as Schedule “A” on the basis of the facts set out in Part IV herein.

3. The terms of this settlement agreement, including the attached Schedule "A" (collectively, the "Settlement Agreement"), will be released to the public only if and when the Settlement Agreement is approved by the Commission.

III. ACKNOWLEDGEMENT

4. For the purposes of this settlement agreement only, the Respondent agrees with the facts as set out in Part IV of this Settlement Agreement. The Respondent expressly denies that the terms of this settlement agreement are intended to be an admission of civil liability by the Respondent to any person or company.

IV. AGREED FACTS

(a) Background

5. GLR Resources ("GLR") is a reporting issuer that is actively involved in the exploration and development of mining properties in Canada. GLR trades on the Toronto Stock Exchange under the symbol GLS.

6. The Respondent is a resident of Kirkland Lake, Ontario. He was at all material times the President and Chief Executive Officer of GLR, positions that he continues to hold.

7. In mid-October 2005, the Respondent was approached by Northern Securities regarding a private placement of GLR securities. As a result of these discussions, an engagement letter (the "Engagement Letter") was signed with Northern Securities on October 17, 2005.

8. On October 24, 2005, GLR announced both a private placement unit offering of a value up to \$500,000 and a flow-through share offering of a value of \$600,000. This offering was to close on December 2, 2005.

(b) Restrictions Placed on the Respondent

9. Pursuant to OSC Rule 48-501 (the “Rule”), it is intended that an issuer-restricted person shall not trade in securities of an issuer making a restricted private placement during the issuer-restricted period. By virtue of his position in GLR, the Respondent is an issuer-restricted person.

10. In the Rule, the issuer-restricted period commences on the date two days prior to the day that the price of the offered security is determined and ends on the date that the selling process ends and all stabilization arrangements relating to the offered security are terminated.

11. With respect to the offering of GLR securities set out in the Engagement Letter, the price of the offered securities was determined in the engagement letter and the issuer-restricted period started on October 15, 2005 and continued until December 2, 2005. Accordingly, the Respondent was not permitted to trade during this time period.

(c) Actions of the Respondent

12. On eight occasions, from October 17, 2005 up to and including November 1, 2005, the Respondent purchased a total of 56,500 shares of GLR for a total price of \$16,969.62. These shares were purchased through his account at CIBC World Markets (“CIBC”).

13. Further from November 1, 2005 until November 18, 2005, on six occasions the Respondent attempted to purchase additional shares of GLR.

14. Finally, after the Respondent’s attempt on November 18, 2005 to purchase a further 10,000 shares of GLR, CIBC closed his account.

V. MITIGATING FACTORS

15. Notwithstanding the fact that he was restricted from trading or attempting to trade shares of GLR from October 15, 2005 until December 2, 2005 due to his status as President and Chief Executive Officer of GLR, the Respondent was operating under a mistaken belief that he was not restricted from trading. The Respondent made no efforts to disguise his trading in GLR. Everything was done transparently through his account at CIBC.

16. The Respondent cooperated fully with Staff's investigation.

VI. CONDUCT CONTRARY TO THE PUBLIC INTEREST

17. As an issuer-restricted person, it was contrary to the public interest for the Respondent to trade in securities of GLR during the period from October 17, 2005 until November 1, 2005.

VII. TERMS OF SETTLEMENT

18. The Respondent agrees to the following terms of settlement, to be set out in an order by the Commission pursuant to s. 127(1) of the Act, as follows:

- (a) that the Respondent will be prohibited in trading, directly or indirectly, in any securities in GLR, for his own account or for the account of others, for a period of six months from the date of the Order;
- (b) that the Respondent personally pay the Commission's costs of its investigation in the amount of \$25,000.

VIII. STAFF COMMITMENT

19. If this Settlement Agreement is approved by the Commission, Staff will not initiate any proceeding under Ontario securities law in respect of any conduct or alleged conduct of the Respondent in relation to the facts set out in Part IV of this Settlement Agreement, subject to the provisions of paragraph 21 below.

IX. PROCEDURE FOR APPROVAL OF SETTLEMENT

20. Approval of this Settlement Agreement shall be sought at a hearing of the Commission on a date agreed to by Staff and the Respondent.

21. Staff and the Respondent may refer to any part, or all, of the Settlement Agreement at the Settlement Hearing. Staff and the Respondent also agree that if this Settlement Agreement is approved by the Commission, it will constitute the entirety of the evidence to be submitted respecting the Respondent in this matter, and the Respondent agrees to waive his rights to a full hearing, judicial review or appeal of the matter under the Act.

22. Staff and the Respondent agree that if this Settlement Agreement is approved by the Commission, neither Staff nor the Respondent will make any public statement inconsistent with this Settlement Agreement.

23. If this Settlement Agreement is approved by the Commission and, at any subsequent time, the Respondent fails to honour any of the Terms of Settlement set out in Part VI herein, Staff reserve the right to bring proceedings under Ontario securities law against the Respondent based on, but not limited to, the facts set out in Part III of the Settlement Agreement, as well as the breach of the Settlement Agreement.

24. If, for any reason whatsoever, this Settlement Agreement is not approved by the Commission or an Order in the form attached as Schedule "A" is not made by the

Commission, each of Staff and the Respondent will be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of the allegations in the Notice of Hearing and Statement of Allegations, unaffected by this Settlement Agreement or the settlement negotiations.

25. Whether or not this Settlement Agreement is approved by the Commission, the Respondent agrees that he will not, in any proceeding, refer to or rely upon this Settlement Agreement or the negotiation or process of approval of this Settlement Agreement as the basis for any allegation against the Commission of lack of jurisdiction, bias, appearance of bias, unfairness, or any other remedy or challenge that may otherwise be available.

X. DISCLOSURE OF AGREEMENT

26. The terms of this Settlement Agreement will be treated as confidential by all parties hereto until approved by the Commission, and forever if, for any reason whatsoever, this Settlement Agreement is not approved by the Commission, except with the written consent of both the Respondent and Staff or as may be required by law.

27. Any obligations of confidentiality shall terminate upon approval of this Settlement Agreement by the Commission.

XI. EXECUTION OF SETTLEMENT AGREEMENT

28. This Settlement Agreement may be signed in one or more counterparts which together shall constitute a binding agreement.

29. A facsimile copy of any signature shall be effective as an original signature.

Dated this 23rd day of April, 2007

“Dianne McKeen”

Witness: Dianne McKeen

“Robert Kasner”

Robert Kasner

Dated this 26th day of April, 2007

STAFF OF THE ONTARIO
SECURITIES COMMISSION

“Michael Watson”

Michael Watson
Director, Enforcement Branch

Schedule A

**IN THE MATTER OF THE *SECURITIES ACT*
R.S.O. 1990, c.S.5, AS AMENDED**

AND

ROBERT KASNER

ORDER

WHEREAS on April 17, 2007 the Commission issued a Notice of Hearing pursuant to section 127 of the *Securities Act* (the “Act”) in respect of the trading of securities in GLR Resources (“GLR”) by Robert Kasner;

AND WHEREAS on April 17, 2007 Staff of the Commission filed a Statement of Allegations;

AND WHEREAS Robert Kasner entered into a settlement agreement dated April 23, 2007 (the “Settlement Agreement”) in relation to the matters set out in the Statement of Allegations;

AND WHEREAS the Commission issued a Notice of Hearing dated April 17, 2007 setting out that it proposed to consider the Settlement Agreement;

UPON reviewing the Settlement Agreement, the Notice of Hearing, the Statement of Allegations, and upon considering submissions from Robert Kasner through his agent and from Staff of the Commission;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this Order;

IT IS HEREBY ORDERED, PURSUANT TO SECTIONS 127 AND 127.1 OF THE ACT, THAT:

1. the Settlement Agreement dated April 23, 2007 between Staff of the Commission and Robert Kasner is approved;
2. Robert Kasner shall cease trading directly or indirectly in securities in GLR for a period of 6 months from the date of this Order. For greater certainty, this Order pertains to all trading in GLR by Robert Kasner, whether directly or indirectly in any capacity whatsoever, or through nominee accounts; and

3. Robert Kasner shall pay to the Commission costs of its investigation in the amount of \$25,000 immediately.

Dated at Toronto, Ontario this 30th day of April, 2007

Wendell S. Wigle, Q.C.

David L. Knight, FCA