

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

- and -

**IN THE MATTER OF
ROBERT KASNER**

**STATEMENT OF ALLEGATIONS
OF STAFF OF THE ONTARIO SECURITIES COMMISSION**

1. Staff of the Ontario Securities Commission make the following allegations:

THE RESPONDENT

2. Robert Kasner (“Kasner”) was, at all material times, the President and Chief Executive Officer of GLR Resources (“GLR”). GLR is a gold mining and exploration company based in Kirkland Lake, Ontario. It is publicly traded on the Toronto Stock Exchange.

THE RESTRICTED PRIVATE PLACEMENT OF GLR SECURITIES

3. On January 29, 2008, GLR announced that it had agreed to raise \$4.0 million in securities on a “best efforts” basis through M Partners Inc., Blackmont Capital Inc., and Evergreen Capital Partners Inc. (the “Offering”). The Offering consisted of up to \$2.0 million units at \$0.40 per unit and up to \$2.0 million of flow-through shares at \$0.50 per share. Each unit consisted of a share and half a warrant. A whole warrant would be exchangeable into a share at \$0.60 for two years.
4. The price of the Offering was determined on or about January 29, 2008. The Offering closed on or about February 27, 2008.
5. Pursuant to OSC Rule 48-501, persons who fall within a defined category of persons called “issuer-restricted persons” shall not trade in securities of an issuer making

a restricted private placement during a time frame defined as the “issuer-restricted period”.

6. The issuer-restricted period in the Offering ran from January 27, 2008 until February 27, 2008. Kasner was an issuer-restricted person during this period.

KASNER’S TRADING DURING THE ISSUER-RESTRICTED PERIOD

7. On February 7, 2008, Kasner entered an order with his broker to purchase 20,000 shares of GLR at \$0.40 for an account under his control. Shortly after it was placed with his broker, Kasner’s order was cancelled by Market Regulation Services who identified him as an issuer-restricted person in relation to the purchase of these shares.

CONDUCT CONTRARY TO THE PUBLIC INTEREST AND OSC RULE 48-501

8. It was contrary to the public interest and contrary to OSC Rule 48-501 for Kasner to place an order for shares in GLR on February 7, 2008.

9. Such further allegations as Staff may advise and the Commission may permit.

DATED at Toronto this 25th day of June, 2008.