



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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

- AND -

**IN THE MATTER OF
URANIUM308 RESOURCES INC. and MICHAEL FRIEDMAN**

**ORDER
(Sections 37 and 127(1))**

WHEREAS on October 7, 2010, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 37 and 127 of the *Securities Act*, R.S.O. 1990, c.S.5, as amended (the "Act") in respect of Uranium308 Resources Inc. ("U308 Inc.") and Michael Friedman ("Friedman");

AND WHEREAS U308 Inc. and Friedman entered into a Settlement Agreement with Staff of the Commission dated September 30 and October 4, 2010 (the "Settlement Agreement") in which U308 Inc. and Friedman agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing, subject to the approval of the Commission;

AND UPON reviewing the Settlement Agreement, the Notice of Hearing, and the Statement of Allegations of Staff of the Commission, and upon hearing submissions from counsel for U308 Inc. and Friedman 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 THAT:

- (a) the Settlement Agreement is approved;
- (b) pursuant to clause 2 of subsection 127(1) of the Act, trading in any securities by U308 Inc. and Friedman cease permanently, with the exception that Friedman is permitted to

trade in securities in mutual funds through a registered dealer for the account of his registered retirement savings plan (as defined in the *Income Tax Act* (Canada));

- (c) pursuant to clause 2.1 of section 127(1) of the Act, U308 Inc. and Friedman are each prohibited permanently from the acquisition of any securities, with the exception that Friedman is permitted to acquire securities in mutual funds through a registered dealer for the account of his registered retirement savings plan (as defined in the *Income Tax Act* (Canada));
- (d) pursuant to clause 3 of section 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to U308 Inc. and Friedman permanently;
- (e) pursuant to clause 6 of subsection 127(1) of the Act, U308 Inc. and Friedman are reprimanded;
- (f) pursuant to clauses 8, 8.2, and 8.4 of subsection 127(1) of the Act, Friedman is prohibited permanently from the date of this Order from becoming or acting as a director or officer of any issuer, registrant, or investment fund manager;
- (g) pursuant to clause 8.5 of subsection 127(1) of the Act, Friedman is prohibited permanently from the date of this Order from becoming or acting as a registrant, as an investment fund manager or as a promoter;
- (h) pursuant to clause 9 of subsection 127(1) of the Act, Friedman and U308 Inc. shall each pay administrative penalties of \$100,000 for their failure to comply with Ontario securities law. The \$100,000 administrative penalties shall be for allocation to or for the benefit of third parties, including investors who lost money as a result of purchasing U308 Inc. securities, in accordance with s. 3.4(2) of the Act;

- (i) pursuant to clause 10 of subsection 127(1) of the Act, Friedman and U308 Inc. shall disgorge to the Commission, jointly and severally, \$2,380,390 obtained as a result of their non-compliance with Ontario securities law. The \$2,380,390 disgorged shall be for allocation to or for the benefit of third parties, including investors who lost money as a result of purchasing U308 Inc. securities, in accordance with s. 3.4(2) of the Act; and
- (j) pursuant to section 37(1) of the Act of the Act, Friedman shall be prohibited permanently from telephoning from within Ontario to any residence within or outside Ontario for the purpose of trading in any security or in any class of security.

DATED AT TORONTO this 8th day of October, 2010.

“Kevin J. Kelly”

Kevin J. Kelly