

IN THE MATTER OF
THE SECURITIES ACT, 1988, S.S. 1988, c. s-42.2

AND

IN THE MATTER OF
GR CAPITAL CORPORATION
GLEN HARPER
AND
WADDY LAKE RESOURCES INC.

**CEASE TRADE ORDER
(Section 135)**

WHEREAS an application has been received by the Saskatchewan Securities Commission (the "Commission") from the staff of the Commission for an Order pursuant to:

1. Subsection 135(1) of The Securities Act, 1988, S.S. 1988, c. S-42.2 (the "Act") that the exemptions contained in:
 - a. Sections 39, 81, 82 and 102 of the Act;
 - b. The Securities Regulations, R.R.S., c. S-42.2, Reg 1 (the "Regulations") providing for exemptions from sections 27, 58 and 71 of the Act; and
 - c. Any decision providing for exemptions from sections 27, 58, 71, or 104 to 109 of the Act;

do not apply to GR Capital Corporation ("GR Capital") for a period of 126 days commencing on the 3rd day of September, 1991;

2. Subsection 135(1) of the Act that the exemptions contained in:
 - a. Sections 39, 81, 82 and 102 of the Act;
 - b. The Regulations providing for exemptions from sections 27, 58 and 71 of the Act; and
 - c. Any decision providing for exemptions from sections 27, 58, 71, or 104 to 109 of the Act;

do not apply to Glen Harper ("Harper") for a period of 36 days commencing on the 3rd day of September, 1991;

AND WHEREAS GR Capital and Harper and the Director of the Commission have entered into an Agreement and Undertaking dated September 3, 1991, the original of which is attached as Schedule "A" to this Order (the "Agreement and Undertaking");

AND WHEREAS GR Capital and Harper have consented to the issuance of this Order and have waived any right to a hearing;

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

THE COMMISSION HEREBY ORDERS, pursuant to:

1. Subsection 135(1) of the Act that the exemptions contained in:
 - a. Sections 39, 81, 82 and 102 of the Act;
 - b. The Regulations providing for exemptions from sections 27, 58 and 71 of the Act; and
 - c. Any decision providing for exemptions from sections 27, 58, 71, or 104 to 109 of the Act;do not apply to GR Capital for a period of 126 days commencing on the 3rd day of September, 1991;
2. Subsection 135(1) of the Act that the exemptions contained in:
 - a. Sections 39, 81, 82 and 102 of the Act;
 - b. The Regulations providing for exemptions from sections 27, 58 and 71 of the Act; and
 - c. Any decision providing for exemptions from sections 27, 58, 71, or 104 to 109 of the Act;do not apply to Harper for a period of 36 days commencing on the 3rd day of September, 1991;

THE COMMISSION FURTHER ORDERS that notwithstanding this Order, GR Capital and Harper shall each have a period of 30 days from July 11, 1991 to dispose of 696,360 common shares and 58,754 common

shares of Waddy Lake Resources Inc. pursuant to the Agreement and Undertaking.

DATED at the City of Regina, in the Province of Saskatchewan, this 5th day of September, 1991.



Marcel de la Gorgendiere, Q.C.
Chairman

SCHEDULE "A"

IN THE MATTER OF
THE SECURITIES ACT, 1988, S.S. 1988, C. S-42.2

- and -

IN THE MATTER OF
GR CAPITAL CORPORATION, GLEN HARPER
AND WADDY LAKE RESOURCES INC.

AGREEMENT AND UNDERTAKING

The following agreement has been reached between GR Capital Corporation ("GR Capital"), Glen Harper ("Harper") and the Director of the Saskatchewan Securities Commission (the "Director").

FACTS

As a basis for a removal of statutory exemptions for a stated period as provided in the Order, attached hereto as Schedule "A" to this Agreement, GR Capital and Harper acknowledge and agree as follows:

1. Waddy Lake Resources Inc. ("Waddy Lake") is a company pursuant to the Canada Business Corporations Act (the "CBCA") and is a "reporting issuer" pursuant to the Securities Act R.S.O. 1980 Chapter 466 (the "Ontario Act") as amended and pursuant to The Securities Act, 1988, S.S. 1988, c. S-42.2 (the "Saskatchewan Act") as amended. Waddy Lake's common shares are listed on The Toronto Stock Exchange (the "TSE").
2. GR Capital is a private company incorporated under the laws of the Province of Alberta.
3. Harper is a resident of the Province of Alberta and is the President and a director of GR Capital.

4. The Board of Directors of GR Capital is comprised of three members, including Harper.

5. Harper, in his capacity as President of GR Capital and on behalf of GR Capital, was responsible for market acquisitions of securities by GR Capital and, in exercising this responsibility, initiated the acquisitions in paragraph 6. The other directors and officers of GR Capital did not participate in any way in the decision to make the acquisitions set out in said paragraph 6.

6. GR Capital, at the direction of Harper, engaged in the following trades of common shares of Waddy Lake:

Date	Number of Shares Acquired (Disposed)	Nature	% of Shares Outstanding	% of Shares (Fully Diluted)
1. May 8, 1987	31, 892	Private	10.3	9.0
2. May 11, 1987	5,000	Market	10.5	9.1
3. June 24, 1987	5,000	Market	10.6	9.2
4. June 29, 1987	5,000	Market	10.7	9.4
5. Oct. 30, 1987	7,000	Market	10.4	9.6
6. Oct. 30, 1987	3,000	Market	10.6	9.6
7. Nov. 2, 1987	5,000	Market	10.8	9.8
8. Nov. 6, 1987	5,000	Market	10.4	9.5
9. Nov. 7, 1987	5,500	Market	10.4	9.6
10. Nov. 13, 1987	4,000	Market	10.7	9.7
11. Nov. 17, 1987	500	Market	10.7	9.7
12. Dec. 3, 1987	5,000	Market	10.8	9.9
13. Dec. 29, 1987	500	Market	10.4	9.5
14. Dec. 30, 1987	4,500	Market	10.5	9.6
15. Feb. 4, 1988	2,000	Market	10.5	9.6
16. Feb. 9, 1988	3,000	Market	10.6	9.7
17. Feb. 9, 1988	1,500	Market	10.7	9.7

Date	Number of Shares Acquired (Disposed)	Nature	% of Shares Outstanding	% of Shares (Fully Diluted)
18. Feb. 10, 1988	2,500	private	10.7	9.8
19. Feb. 11, 1988	500	market	10.7	9.8
20. Feb. 16, 1988	500	market	10.8	9.8
21. March 30, 1988	175,000	market	13.3	12.3
22. March 30, 1988 (Warrants)	350,000	market	16.7	14.2
23. July 4, 1988	9,000	market	16.9	14.5
24. July 6, 1988	7,500	market	17.0	14.7
25. July 11, 1988	3,500	market	17.1	14.8
26. July 27, 1988	1,000	market	17.1	15.1
27. July 29, 1988	6,000	market	17.2	15.2
28. Aug. 2, 1988	3,000	market	17.3	15.3
29. Aug. 23, 1988	1,000	market	17.3	15.3
30. Aug. 25, 1988	2,000	market	17.4	15.3
31. Aug. 29, 1988	5,000	market	17.5	15.4
32. Aug. 31, 1988	1,500	market	17.5	15.5
33. Sept. 16, 1988	1,000	market	17.6	15.5
34. Sept. 19, 1988	2,000	market	17.6	15.5
35. Sept. 26, 1988	2,000	market	17.6	15.6
36. Sept. 29, 1988	5,000	market	17.8	15.7
37. Feb. 28, 1990	100,325	market	20.0	13.9
38. March 22, 1990 (Warrants)	(350,000)	expired	16.1	12.6
39. April 19, 1990	7,500	market	13.9	12.7
40. April 19, 1990	7,500	market	14.0	12.9
41. April 19, 1990	15,000	market	14.3	13.1
42. April 19, 1990	19,500	market	14.6	13.4
43. April 19, 1990	6,000	market	14.8	13.5

Date	Number of Shares Acquired (Disposed)	Nature	% of Shares Outstanding	% of Shares (Fully Diluted)
44. April 19, 1990	5,000	market	14.9	13.6
45. April 19, 1990	75,000	market	16.3	14.9
46. April 19, 1990	323,000	market	22.4	20.5
47. April 19, 1990	238,462	market	26.9	24.7
48. April 19, 1990	(238,462)	market	22.4	20.5

7. GR Capital and Harper admit that certain of the acquisitions were in violation of the provisions of the CBCA, the Ontario Act, the Saskatchewan Act, and the General By-law of the TSE (the "TSE by-law"). Specifically, the violations were the failure to file reports and issue press releases pursuant to Part XIX of the Ontario Act and Part XIV of the Saskatchewan Act; the failure to offer identical considerations and to deliver a circular as required in Part XIX of the Ontario Act and Part XVI of the Saskatchewan Act; failure to file reports pursuant to section 127 of the CBCA; failure to deliver a circular as provided in Part XVII of the CBCA and the failure to comply with Part XXIII of the TSE By-law.

8. On July 10, 1991 the total number of outstanding common shares of Waddy Lake was 5, 301, 028. GR Capital was the beneficial owner of 1, 185, 217 Waddy Lake common shares and Harper was the beneficial owner of 100,000 Waddy Lake common shares for an aggregate 24.2% of the total outstanding Waddy Lake common shares.

AGREEMENT AND UNDERTAKING

The Director, GR Capital and Harper hereby undertake, agree and consent effective the date of this Agreement, as follows:

1. GR Capital and Harper agree that they have since July 10, 1991 disposed of and/or surrendered on a pro rata basis such number of Waddy Lake Resources Inc. ("Waddy Lake") common shares as was necessary to reduce their aggregate holdings to 10% of the total outstanding Waddy Lake common shares, subject to and in accordance with the following provisions:

- (a) GR Capital agrees that it was to dispose of 696,360 Waddy Lake common shares (the "GR Capital Shares") in the period between July 11, 1991 (the "Commencement Date") and a day thirty days thereafter (the "Termination Date"). Any of the GR Capital Shares not disposed of by GR Capital on the Termination Date were surrendered by GR Capital to Waddy Lake pursuant to section 37 of the CBCA and such shares shall be cancelled without payment or consideration to GR Capital.
- (b) The net proceeds (net of costs of disposal of the GR Capital Shares) from the disposal of the GR Capital Shares received by GR Capital in excess of \$222,835, such amount being the aggregate cost of such shares, shall be paid by GR Capital to Waddy Lake within 30 days of the Termination Date and such amount shall be forfeited by GR Capital.
- (c) Harper agrees that he was to dispose of 58,754 Waddy Lake common shares (the "Harper Shares") between the Commencement Date and the Termination Date. Any of the Harper Shares not disposed of by Harper on the Termination Date were surrendered by Harper to Waddy Lake

Pursuant to section 37 of the CBCA and such shares shall be cancelled without payment or consideration to Harper.

- (d) The net proceeds (net of costs of disposal of the Harper Shares) from the disposal of the Harper Shares received by Harper in excess of \$13,438, such amount being the aggregate cost of such shares, shall be paid by Harper to Waddy Lake within 30 days of the Termination Date and such amount shall be forfeited by Harper.
- (e) The result of the dispositions set out in paragraphs (a) and (c) above is the reduction of GR Capital's and Harper's combined holdings in Waddy Lake to 10% of the current outstanding common shares of Waddy Lake.
- (f) GR Capital and Harper agree that they have not disposed of any of the GR Capital Shares and Harper Shares, as the case may be, at a price or consideration less than the aggregate sale price of the Waddy Lake common shares on the TSE during the 20 business days immediately prior to the Commencement Date divided by the volume of Waddy Lake shares sold through the facilities of the TSE over the same period.
- (g) Neither GR Capital nor Harper participated as purchaser in the sale of the GR Capital Shares and Harper Shares, as the case may be, and both used their best efforts to ensure that no affiliate or associate (as such terms are defined in the CBCA) of either GR Capital or Harper or any officer or director of GR Capital purchased any of the GR Capital Shares or Harper Shares. GR Capital and Harper advised such associates and affiliates of such prohibition prior to the Commencement Date.

2. Subject to the approval of the Saskatchewan Securities Commission (the "Commission"), GR Capital agrees to an order pursuant to Section 135 of the Saskatchewan Act that all of the exemptions contained in Sections 39, 81, 82 and 102 of the Act do not apply to GR Capital (with the exception of the disposal of the GR Capital Shares in accordance with the terms hereof) for a period of 126 days commencing on the date hereof.

3. Subject to the Commission's approval, Harper agrees to an order pursuant to Section 135 of the Saskatchewan Act that all of the exemptions contained in Sections 39, 81, 82 and 102 of the Saskatchewan Act do not apply to Harper (with the exception of the disposal of the Harper Shares in accordance with the terms hereof) for a period of 36 days commencing on the date hereof.

4. During the duration of the orders described in sections 2 and 3 hereof, GR Capital and Harper shall not acquire any additional Waddy Lake securities from Waddy Lake unless such acquisition is previously approved by a majority of the independent shareholders of Waddy Lake. The foregoing restriction shall not extend to the acquisition of Waddy Lake shares pursuant to a rights offering provided such rights are proportionately distributed to all shareholders of Waddy Lake.

5. GR Capital and Harper agree to use their best efforts to deliver to the Commission a list of the names of all purchasers of the Harper Shares and GR Capital Shares within thirty days of the Termination Date.

6. Prior to the disposition and/or surrender of the GR Capital Shares and Harper Shares in accordance with the terms of this settlement agreement, GR Capital and Harper agree that they shall not vote, nor permit any other person to vote, the GR Capital Shares or Harper Shares at any meeting of shareholders of Waddy Lake.

7. GR Capital, Harper and the Director agree that if the settlement agreement is approved by the Commission, it will constitute the entirety of the evidence to be submitted respecting GR Capital and Harper in this matter. GR Capital and Harper agree to waive their right to a full hearing and appeal of this matter and consent to the issuance of the Order of the Commission in substantially the form set out in Schedule "A" to the settlement agreement.

8. If, for any reason whatsoever, this settlement is not approved by the Commission, this settlement agreement shall terminate and (i) the Director shall be entitled to proceed with the hearing herein unaffected by this settlement agreement or the settlement negotiations and the terms of the settlement agreement will not be raised by the Director, GR Capital or Harper in these or any other proceedings; and (ii) the Director shall be entitled to proceed with any proceedings available to her under the Saskatchewan Act unaffected by this settlement agreement or the settlement negotiations and the terms of the settlement agreement shall not be raised by the Director, GR Capital or Harper in any such proceedings.

9. Harper and GR Capital shall not raise in any proceedings the settlement agreement or the negotiation of the process of approval herein as the basis for any attack on the Commission's jurisdiction, alleged bias, alleged unfairness or any other challenge that may be otherwise available.

10. The Director hereby agrees that this settlement agreement and Undertaking and the Order set out in Schedule "A" are the only sanctions the Director will seek to be imposed by the Commission upon GR Capital and Harper pursuant to the Saskatchewan Act with respect to the matters set out in this settlement agreement, provided however, that nothing herein shall prohibit the Director from considering and dealing with any matter not set out in this

settlement agreement or any new complaint brought to the Director's attention in respect of GR Capital and Harper.

IN WITNESS WHEREOF GR Capital, Harper and the Director have executed this Agreement and Undertaking, on this 3rd day of September, 1991.

GR Capital Corporation

(Corporate Seal)

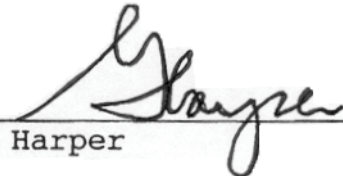
SIGNED, SEALED AND DELIVERED in the presence of:

"Barbara O'Neill"

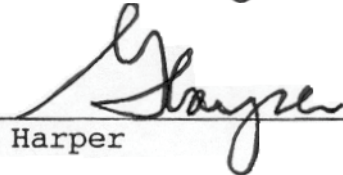
Barbara O'Neill

SIGNED, SEALED AND DELIVERED in the presence of:

John Hall



Glen Harper



Glen Harper



Barbara L. Shourounis
Director

SCHEDULE "A"

IN THE MATTER OF
THE SECURITIES ACT, 1988, S.S. 1988, c. S-42.2

- and -

IN THE MATTER OF
GR CAPITAL CORPORATION
GLEN HARPER
AND
WADDY LAKE RESOURCES INC.

CEASE TRADE ORDER
(Section 135)

WHEREAS an application has been received by the Saskatchewan Securities Commission (the "Commission") from the staff of the Commission for an Order pursuant to:

1. Subsection 135(1) of the Act that the exemptions contained in:

- (a) Sections 39, 81, 82 and 102 of the Act;
- (b) The Securities Regulations, R.R.S., c. S-42.2, Reg 1 (the "Regulations") providing for exemptions from sections 27, 58 and 71 of the Act; and
- (c) Any decision providing for exemptions from sections 27, 58, 71, or 104 to 109 of the Act;

do not apply to GR Capital Corporation ("GR Capital") for a period of ____ days commencing on the ____ day of September 1991.

2. Subsection 135(1) of the Act that the exemptions contained in:

- (a) Sections 39, 81, 82 and 102 of the Act;
- (b) The Securities Regulations, R.R.S., c.S-42.2, Reg 1 (the "Regulations") providing for exemptions from sections 27, 58 and 71 of the Act; and
- (c) Any decision providing for exemptions from sections 27, 58, 71, or 104 to 109 of the Act;

do not apply to Glen Harper ("Harper") for a period of _____ days commencing on the ____ day of September 1991.

AND WHEREAS GR Capital and Harper and the Director of the Commission have entered into an Agreement and Undertaking dated September 3rd, 1991, the original of which is attached as Schedule "A" to this Order (the "Agreement and Undertaking");

AND WHEREAS GR Capital and Harper have consented to the issuance of this Order and have waived any right to a hearing;

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

THE COMMISSION HEREBY ORDERS, pursuant to:

1. Subsection 135(1) of the Act that the exemptions contained in:

- (a) Sections 39, 81, 82 and 102 of the Act;
- (b) The Regulations providing for exemptions from sections 27, 58 and 71 of the Act; and
- (c) Any decision providing for exemptions from sections 27, 58, 71 or 104 to 109 of the Act;

do not apply to GR Capital for a period of ____ days commencing on the ____ day of September 1991;

2. Subsection 135(1) of the Act that the exemptions contained in:

- (a) Sections 39, 81, 82 and 102 of the Act;
- (b) The Regulations providing for exemptions from sections 27, 58, and 71 of the Act; and
- (c) Any decision providing for exemptions from sections 27, 58, 71 or 104 to 109 of the Act;

do not apply to Harper for a period of ____ days commencing on the ____ of September 1991;

The Commission further orders that notwithstanding this Order, GR Capital and Harper shall each have a period of 30 days from July 11, 1991 to dispose of 696,360 common shares and 58,754 common shares of Waddy Lake Resources Inc. pursuant to the Agreement and Undertaking;

DATED at the city of Regina, in the Province of Saskatchewan, this ____ day of _____, 1991.

Marcel de la Gorgendiere, Q.C.
Chairman