

2011 BCSECCOM 335

Notice of Hearing

David Charles Greenway and Kjeld Werbes

Section 161 of the *Securities Act*, RSBC 1996, c. 418

¶ 1 The British Columbia Securities Commission (Commission) will hold a hearing (Hearing) at which the Executive Director will tender evidence, make submissions and apply for orders against David Charles Greenway (Greenway) and Kjeld Werbes (Werbes) (collectively the Respondents) under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418, based on the following facts:

Background

1. Global Uranium Corp. (Global Uranium) is a British Columbia mining company with an office in Vancouver. It is a reporting issuer whose shares trade on the TSX Venture Exchange.
2. Concentric Energy Corp. (Concentric) is a US company incorporated in Nevada. Concentric owned mining claims located in Yavapai County in Arizona, known as the Anderson Property (the Anderson Property).
3. Greenway is a resident of Vancouver, BC.
4. Werbes is a resident of North Vancouver, BC and a lawyer with a business address in Vancouver, BC.

Material facts and special relationship

5. In or around November 2009, Greenway introduced the Anderson Property to Global Uranium as a possible acquisition opportunity.
6. In early 2010, Greenway recommended Werbes to Global Uranium as the solicitor to structure the transaction between Global Uranium and Concentric.
7. By March 31, 2010, Werbes began drafting documents relating to Global Uranium's option to acquire the Anderson Property (Anderson Property Acquisition).
8. In connection with the Anderson Property Acquisition, Werbes acted as solicitor to Global Uranium, Concentric and Greenway.
9. The Anderson Property Acquisition was a material fact or material change in relation to Global Uranium.

2011 BCSECCOM 335

10. On April 15, 2010, Global Uranium and Concentric finalized the Anderson Property Acquisition with an option and joint venture agreement that gave Global Uranium the option to incrementally acquire a majority interest in the Anderson Property (the Agreement).
11. Greenway became a director of Global Uranium on April 28, 2010.
12. Between March 31, 2010 and April 16, 2010 (the Acquisition Period), Greenway and Werbes were each in a special relationship with Global Uranium and had knowledge of the Anderson Property Acquisition before it was generally disclosed .

Insider trading

13. On April 15, 2010, the closing trading price for Global Uranium shares was \$0.37.
14. On April 16, 2010, Global Uranium issued a news release disclosing that it had entered into the Agreement. On that day, the closing trading price for Global Uranium shares was \$0.45.
15. The share price of Global Uranium continued to rise until it reached a peak closing trading price of \$0.59 per share on April 23, 2010.
16. During the Acquisition Period, Greenway purchased a total of 68,500 shares of Global Uranium at an average cost per share of \$0.26.
17. During the Acquisition Period, Werbes purchased a total of 20,000 shares of Global Uranium at an average cost per share of \$0.35.

Breach of section 57.2

18. Greenway and Werbes, while in a special relationship with Global Uranium and with knowledge of the Anderson Property Acquisition before it was generally disclosed, each purchased securities of Global Uranium contrary to section 57.2 of the Act.

Public interest

- ¶ 2 It is in the public interest that the Commission issue orders under sections 161 and 162 of the Act.

Hearing process

- ¶ 3 The Respondents or their counsel are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on **Tuesday, July 26, 2011**, at **9:00 a.m.** if they wish to be heard before the Commission sets a date

2011 BCSECCOM 335

for the Hearing. Relevant information gathered by Commission staff in the investigation of this matter is included in one disclosure disk enclosed.

- ¶ 4 At the Hearing, the Respondents may be represented by counsel, make submissions and tender evidence. The Respondents are requested to advise the Commission of their intention to attend the Hearing by informing the Secretary to the Commission at PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2 phone: (604) 899-6500; email: commsec@bcsc.bc.ca.
- ¶ 5 If the Respondents or their counsel do not appear at the Hearing, the Executive Director will apply to have questions of liability and sanction heard at the same time. Determinations adverse to the Respondents may be made in their absence.
- ¶ 6 July 13, 2011

Paul Bourque
- ¶ 7 Paul C. Bourque, Q.C.
Executive Director