

IN THE MATTER OF THE *SECURITIES ACT*,
S.N.B. 2004, c. S-5.5

AND IN THE MATTER OF

**CACHE METALS RRSP INC., AKA CACHE METALS INC., AKA CACHÉ PRECIOUS METALS
INC., and AKA CACHE PRECIOUS METALS INC.**

(Respondent)

STATEMENT OF ALLEGATIONS

(of Staff of the New Brunswick Securities Commission)

1. Cache Metals RRSP Inc. (aka Cache Metals Inc., Caché Precious Metals Inc. and Cache Precious Metals Inc.) ("Cache Metals") has a corporate mailing address of 166 Davenport Road, Toronto, Ontario. Cache Metals is not registered to trade in securities in New Brunswick, nor has it filed a prospectus or a Report of Exempt Distribution with the New Brunswick Securities Commission (the "NBSC").
2. Sometime in mid-January 2012, a New Brunswick resident (the "New Brunswick resident"), was cold called at home (the "initial call") by a man calling on behalf of Cache Metals. The caller solicited the New Brunswick resident to invest in silver. In an attempt to get the New Brunswick resident to invest, the caller used high pressure sales tactics.
3. The caller told the New Brunswick resident that there was the potential to earn 300% returns over a period of approximately 3 years, and also that time was of the essence and he would need to invest right away.
4. In a subsequent call, which occurred on or about 18 January 2012, the caller informed the New Brunswick resident that the price of silver had risen and that a Swiss bank had claimed that the price of silver should double within three to six months.
5. The New Brunswick resident received, via email, an information package from Cache Metals. This package contained:
 - Account Application;
 - A gold chart and a silver chart;
 - Internal Memo; and
 - A purported press release by Cache Metals.
6. Representatives of Cache Metals continue to call the New Brunswick resident on a

regular basis, and leave voicemail messages when the New Brunswick resident fails to answer the telephone.

7. The New Brunswick resident continues to receive frequent email updates from Cache Metals.
8. The solicitations made by the callers on behalf of Cache Metals constitute trading in securities under the *Securities Act*, S.N.B. 2004, c. S-5.5 (the "*Securities Act*"). Cache Metals has never been, and is currently not, registered to trade in securities and has not filed a prospectus or a Report of Exempt Distribution. As such, Cache Metals is in breach of sections 45 and 71(1) of the *Securities Act*.
9. Cache Metals, in an attempt to effect a trade in securities, made statements regarding the future value of the investments and is therefore in breach of section 58(2) of the *Securities Act*.

Relief sought

10. Staff seek the following relief:
 - Upon a hearing being conducted in this matter, an order pursuant to section 184(1)(c), 184(1)(d) that:
 - The Respondent cease trading securities permanently or for such period of time as the Commission may deem appropriate;
 - All trading in any securities offered by the Respondent cease permanently or for such period as the Commission may deem appropriate; and
 - Any exemptions contained in New Brunswick securities law do not apply to the Respondent permanently or for such period as the Commission may deem appropriate.

DATED at the City of Saint John this 2nd day of March, 2012.

"Original signed by"

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