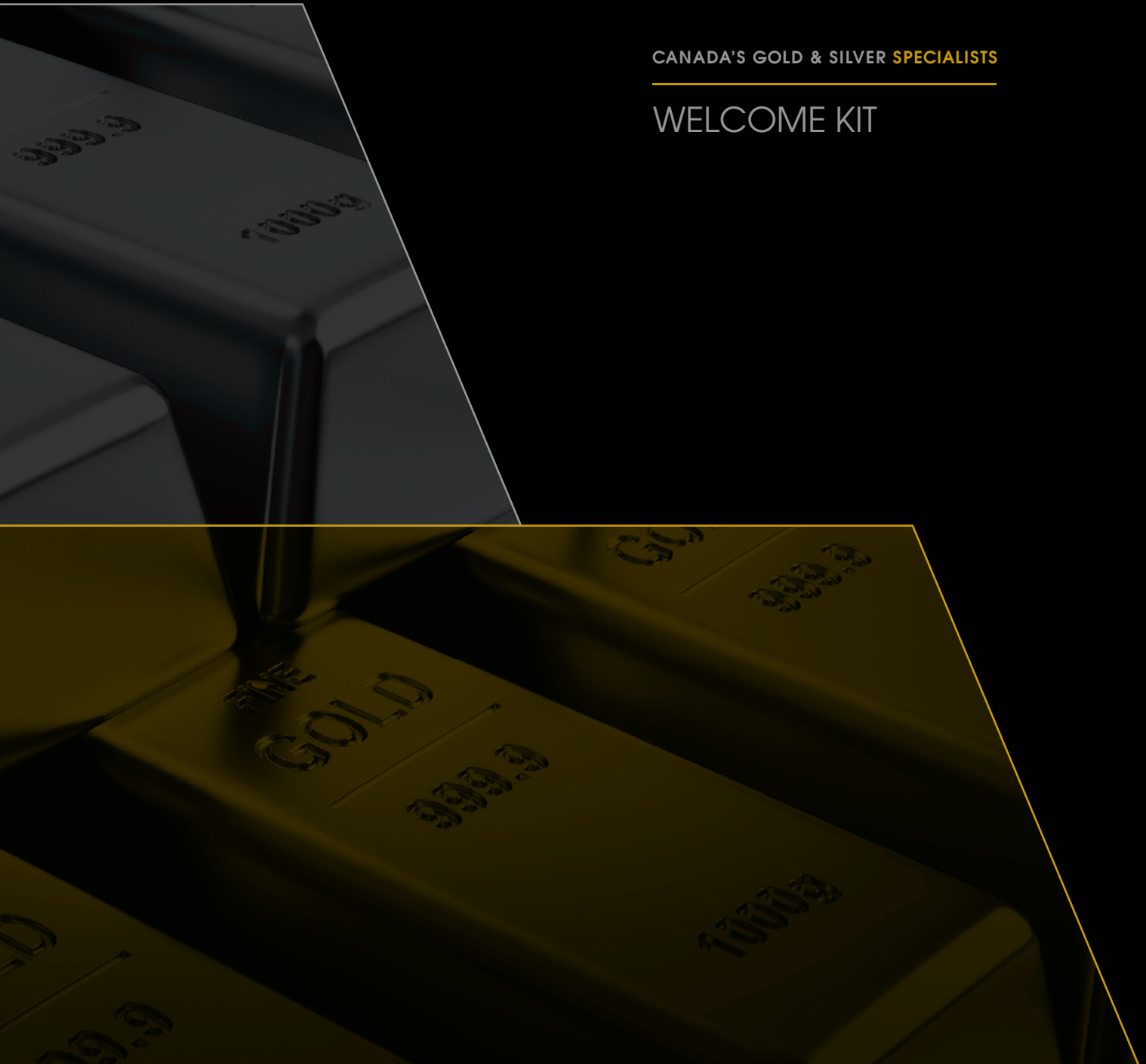


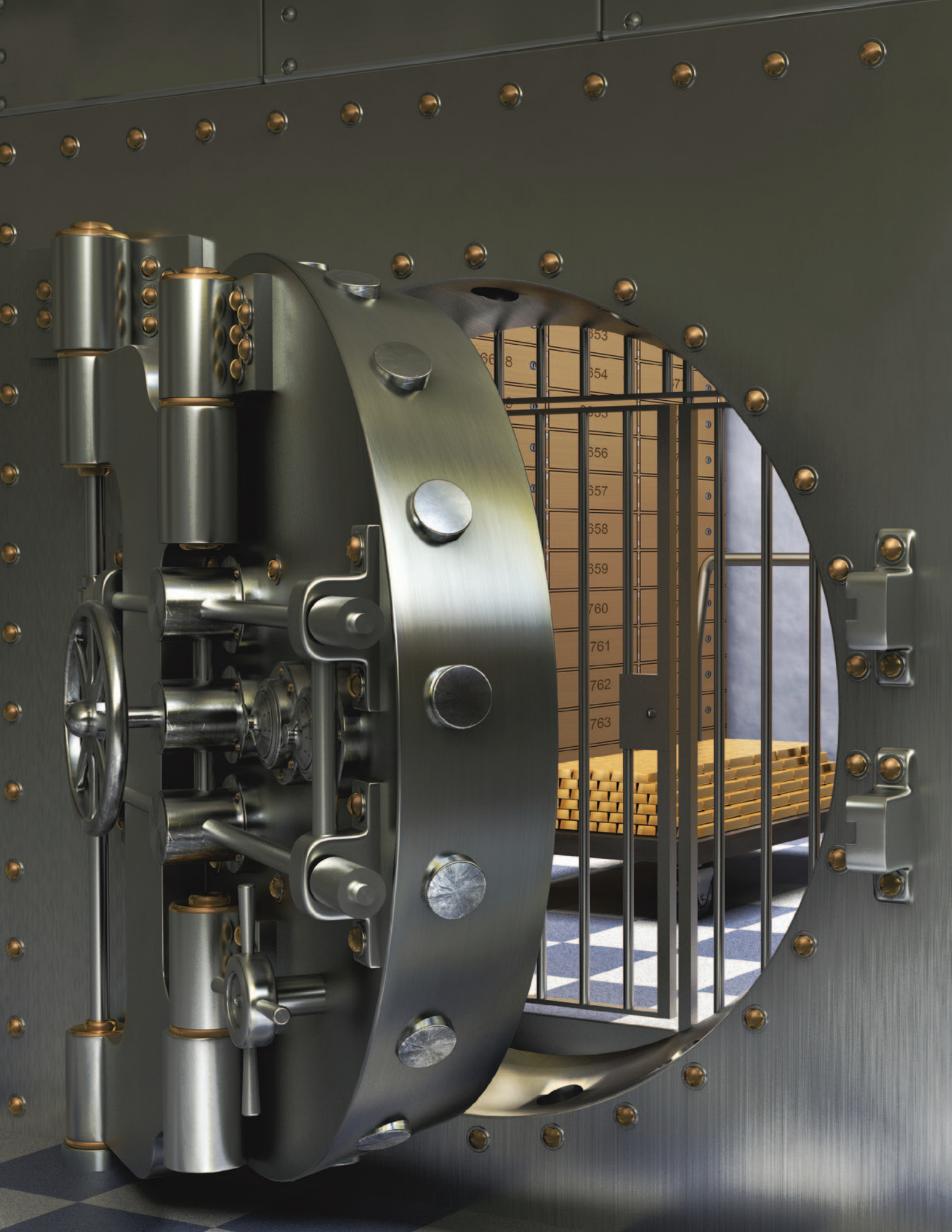
# CACHE METALS

CANADA'S GOLD & SILVER SPECIALISTS

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WELCOME KIT





## WELCOME TO YOUR FUTURE IN PRECIOUS METALS

Cache Metals welcomes you to your future in precious metals. We ask that you take some time to carefully look over the following information.

By establishing a relationship with Cache Metals, you should feel confident and at ease with our company and ultimately your decisions. Our aims are not only to have high quality performance and services which benefit you, but that our relationship will be continuous.

Our consultants at Cache Metals may have different views on how to gain profitability in the precious metals market. Since precious metals remain to be a unique asset, we must reiterate that using risk capital is highly recommended, and assumed by Cache Metals, as precious metal markets bear risks similar to investing in all markets.

It is crucial for Cache Metals to maintain and establish the specialist-client relationship. By laying out your financial objectives with a Cache Specialist, your answers along with further discussion with a Specialist, will help us better build a relationship with you, thus understanding each and every client at hand and assisting with every type of financial aim. With our team of Cache Specialists delivering and maintaining strong and valued relationships, Cache Metals will not fail in providing you with immaculate results.

### VALUE

Cache Specialists value each and every relationship that is formed. In our formulaic approach to better assist you in your goals, we stand by the following protocols:

### COMMITMENT

Cache Specialists are aware of the trust you give and the high expectations you will encounter. Our Specialists will give every single client 110% because we at Cache Metals are well aware of this and want you to feel that you can rely on us to deliver exactly what you want and expect.

### AVAILABILITY

Cache Specialists are just a phone call or email away, any time you need assistance.

### PROFICIENCY

Our team of experienced Cache Specialists will provide you with the professional and successful tools to keep you satisfied with your choices in precious metals. Cache Metals supplies cutting edge information to you that will assist you in any decisions you may have to make. Cache Specialists dedicate their time to making sure you are unequivocally happy with the results on your precious metals acquisitions.



## ABOUT CACHE METALS

Cache Metals holds the relationships developed with our clients in the highest regard. Our commitment to our clients always puts their interest first. The services we offer are our greatest advantage; they are customized to your specific needs and goals. Our clients are treated as individuals, and as such get the personalized attention they expect and deserve.

Cache Metals' diverse team of employees represents one of our greatest strengths. Our dedicated team represents a diverse range of nationalities and languages to provide a wide perspective of thought.

Cache Metals recognizes that research and analysis are key tools for our clients. We strive to consistently provide cutting edge analysis and strategies to keep our clients one step ahead of the game. It is precisely these reasons why many of our clientele come to us by way of referral, which is the ultimate endorsement of our team.

We look forward to servicing your account soon.

### OUR SERVICES

- Buy and sell gold, silver, platinum, and palladium
- Multiple delivery and storage options
- Up to the minute market quotes
- Place buy-and-sell or stop-loss orders
- Collateral loan facilities
- View accounts online
- Regular research reports
- Easy access to our bullion specialists
- Easily liquidate holdings
- Multi-lingual bullion specialists for international clientele



## ORDER PLACEMENTS

Cache Metals continuously monitors the precious metals arena. We will discuss with you on a regular basis scenarios on areas which we believe have unparalleled promise. Our Specialists will discuss with you the timing aspects when it comes down to buying or selling your metals.

Our Cache Metals Specialists will assist you in placing orders; however no orders are executed without your expressed authorization and consent. Our clients have complete control of their accounts. For these reasons a very close-knit line of communication is kept at all times between our clients and their Cache Specialist.

### INFORMATION & UPDATES ON METALS MARKET

When you do not have time to follow the metals market during the day, your Cache Specialist will do it for you. Our specialists will keep you constantly updated on current market activity while informing you on up-to-the minute news events that could affect your holdings or trades. Our specialists are always available to discuss your account, or to give you real time quotes any time.

### ACCOUNT ACTIVITY DOCUMENTATION

All transactions on the buy or sell side will always be confirmed by your Cache Specialist, followed by a confirmation email. Clients will also receive a detailed monthly account summary by mail.



As with all investments, the price of precious metals may change rapidly, and as such should be considered volatile. Upon entering the precious metals market, the risk of loss is solely that of the client. Only individuals who are capable of sustaining a capital loss should consider purchasing precious metals. Acquisitions in precious metals which are financed should be considered high risk.

# FUNDAMENTAL REASONS TO OWN GOLD

Gold is respected throughout the world for its value and rich history, which has been interwoven into cultures for thousands of years. Coins containing gold appeared around 800 B.C., and the first pure gold coins were struck during the reign of King Croesus of Lydia about 300 years later. Throughout the centuries, people have continued to hold gold for various reasons. Below are common reasons why people are turning to gold.

## HISTORY OF HOLDING ITS VALUE

Unlike paper currency, coins or other assets, gold has maintained its value throughout the ages. People turn to gold as a way to pass on and preserve their wealth from one generation to the next.

## WEAKNESS OF THE U.S. DOLLAR

Although the U.S. dollar is one of the world's most important reserve currencies, when the value of the dollar falls against other currencies as it did between 1998 and 2008, this often prompts people to flock to the security of gold, which raises gold prices. The price of gold nearly tripled between 1998 and 2008, reaching the \$1,000-an-ounce milestone in early 2008. The decline in the U.S. dollar occurred for a number of reasons, including the country's large budget and trade deficits and a large increase in the money supply.

## INFLATION

Gold has historically been an excellent hedge against inflation, because its price tends to rise when the cost of living increases. Since World War II, the five years in which U.S. inflation was at its highest were 1946, 1974, 1975, 1979 and 1980 (as of 2008). During those five years, the average real return on the Dow Jones Industrial Average was -12.33%, compared to 130.4% for gold.

## DEFLATION

Deflation, a period in which prices contract, business activity slows and the economy is burdened by excessive debt, has not been seen globally since the Great Depression of the 1930s. During that time, the relative purchasing power of gold soared while other prices dropped sharply.

## GEOPOLITICAL UNCERTAINTY

Gold retains its value not only in times of financial uncertainty, but in times of geopolitical uncertainty. It is often called the "crisis commodity", because people flee to its relative safety when world tensions rise; during such times, it often outperforms other investments. For example, gold prices experienced some of their largest recent movements during periods of tension with Iran and Iraq in 2007 and 2008. Its price often rises the most when confidence in governments is low.

## SUPPLY CONSTRAINTS

Much of the supply of gold in the market since the 1990s has come from sales of gold bullion from the vaults of global central banks. This selling by global central banks slowed greatly in 2008. At the same time, production of new gold from mines has been on the decline since 2000. As a general rule, reduction in the supply of gold increases gold prices.

## INCREASING DEMAND

Increased wealth of emerging market economies has boosted the demand for gold. In many of these countries, gold is intertwined into the culture. India is one of the largest gold-consuming nations in the world, and gold has many uses there, including jewellery. As such, the Indian wedding season in October is traditionally the time of the year that sees the highest global demand for gold. In China, where gold bars are a traditional form of saving, the demand for gold has also shown rapid growth. Demand for gold has also grown among investors. Many are beginning to see commodities, particularly gold, as an investment class into which funds should be allocated.

## PORTFOLIO DIVERSIFICATION

The key to diversification is finding investments that are not closely correlated to one another; gold has historically had a negative correlation to stocks and other financial instruments. Properly diversified investors combine gold with stocks and bonds in a portfolio to reduce the overall volatility and risk.

## CONCLUSION

Gold should be an important part of a diversified investment portfolio because its price increases in response to events that cause the value of paper investments, such as stocks and bonds, to decline. Gold has always maintained its value over the long term. Through the years, gold has served as a hedge against inflation and the erosion of major currencies, and thus is an asset well worth considering.

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## FUNDAMENTAL REASONS TO OWN SILVER

Silver has always stood in the shadow of the gold market and from a dollar perspective most likely will never be more precious than gold, but it does have other value. As much as silver holds a value as a precious metal, it also holds value as an industrial metal. Silver's properties have uses in the photography, technology, and electronic industries to name a few. To date, there is approximately 200 million ounces in above ground silver. Due to current supply/demand forecasts, the amount of above ground silver is projected to shrink to critically low levels in 2010.

New uses for silver are being invented and applied every day. The superior properties of silver have been apparent in applications for many years. Some industrial uses for silver include:

### BATTERIES

Both rechargeable and disposable batteries are using silver today. Silver provides superior power to weight characteristics. By weight silver makes up 35% of most of these usually small batteries. The silver produces both higher voltages and a longer life in these types of batteries. Watches, cameras, small electronic devices, power tools, and portable TV cameras are some products which use Silver in their batteries.

### BEARINGS

Bearings electroplated with silver provide greater strength and load carrying capacity. Military and heavy duty applications where a no-fail system is needed use these bearings. Every time you step on a plane you are holding your life in silver's hands. Silver coats the bearings in jet engines and provides the lubricity to avoid a catastrophic failure in the event of a lubrication failure.

### BRAZING AND SOLDERING

Silver is replacing lead in solders to provide a leak proof and corrosion resistance joint. Air-conditioning, refrigeration, power distribution, electrical engineering, automobile, and the aerospace industry use silver brazing and soldering. In plumbing the bactericidal properties of silver is being touted more every day as a safer way to install plumbing in residential and commercial buildings.

### CATALYST

Roughly 700 tonnes of silver are in continuous use throughout the world's chemical industry. Silver is essential to producing the two compounds the plastics industry needs to produce flexible plastics and hard plastic; ethylene and formaldehyde. Silver is the only catalyst that will oxidize ethylene gas into ethylene oxide and worldwide production exceeds 14 million tonnes a year.

### COINS

In 2006, 39.8 million ounces were produced as silver coins. Silver has been used as money as far back as 550 B.C. and continues to be issued to this day in some countries including Mexico. Since silver was more plentiful and of less value than gold, it served as a practical means of exchange. Today most of the silver produced is consumed in one form or another with only 64 million ounces per year set aside for investment purposes.

### ELECTRICAL

Silver is the best electrical conductor of any known material and it does not corrode. Silver is used in conductors, switches, contacts and fuses. Silver is used in virtually all electrical appliances. The U.S. market for electrical switches is roughly 2.7 billion per year.

### PHOTOGRAPHY

Although the digital age is reducing the amount of silver that is being used for photographic purposes, it will always remain a part of the demand structure because of its low costs and superior definition qualities. Silver is also used in x-rays. From humans, animals, steam valves, ships, aircraft or truck axels, silver x-rays remain the surest way to find faults in a structure.

### JEWELLERY AND SILVERWARE

Silver is the most reflective metal and enjoys a prominent role in jewellery manufacturing worldwide. The demand for silver in jewellery and silverware represents a formidable component of total demand.

### WATER PURIFICATION

Perhaps the most important use of silver is that of water purification. Silver works as a bactericide and algacide. Silver is being used in hospitals, homes and remote communities throughout the world in need of clean water. Possibly the most pressing issue of today is clean water and the use of silver in purifying water may be the solution. Over half of the water purification systems sold in the U.S. every year employ silver. Silver purifies water of bacteria, chlorine, trihalomethanes, lead, particulates and odour. Silver prevents the build-up of algae and bacteria in the filters. New research shows silver and oxygen catalyze to produce a powerful sanitizer virtually eliminating the need for the use of chlorine.

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## FAQ

### What is bullion?

Bullion is a term used to describe any product produced from a precious metal whose value is determined almost exclusively by its precious metal content. Bullion is priced in conjunction with current market “spot” value plus a premium for fabrication and shipping costs.

### How do I open an account?

Once you have spoken to a Cache Metals Specialist, download all appropriate account opening documents. Fill out documents and send to Cache Metals via post, email or facsimile.

### How do I buy and sell?

Contact your Cache Metals Specialist, and place your buy or sell orders. Provided there is sufficient equity/funds in your account all orders will be executed immediately.

### What forms of payment do you accept?

Cache Metals accepts as payment certified cheques, money orders and bank wire transfers.

### Can I take possession of the metals?

Yes. Provided all metals are paid for in full. You can take physical possession of paid-for metals for minimal delivery charges.

### What is the minimum or maximum amount of precious metals that I should have in my portfolio?

Cache Metals believes, depending on individual objectives, net worth and risk tolerance, that 10–30% of an individual's total portfolio value, should always be diversified in the precious metals market.

### How is the price determined when I place a buy or sell order?

One can always purchase metals for the offer price, and sell metals for the bid price. Open orders can be placed at any chosen level, but might not guarantee a fill. Speak to your Cache Metals Specialist about the different order types.

### Are my prices locked in when I place an order?

Yes, provided there is sufficient capital on account to fill the order.

### What do I receive once an order has been executed?

Once an order has been executed, you will receive a soft copy confirmation via email or facsimile. Hard copy confirmation will follow same day via post.

### What are the risks involved in purchasing precious metals?

Every type of investment contains various elements of risk. Because the value of precious metals can rise or fall quickly, investing in precious metals may not be suitable for everyone. Before investing in precious metals, one should have a firm grasp of the precious metals market, and have ample capital liquidity. Like all investments, before investing in the precious metals markets one should consult with one's appropriate advisor.



## CONTACT INFORMATION

Thank you for your interest in Cache Metals.  
Below please find our coordinates for contact.  
Any feedback is always greatly appreciated.

### MAILING ADDRESS

Cache Metals Inc.  
166 Davenport Road  
Toronto, Ontario M5R 1J2  
Canada

### COMMUNICATIONS

**Telephone:** 1.416.916.6660  
**Fax:** 1.416.916.6702  
**Toll Free:** 1.877.916.6670

### INTERNET / EMAIL COMMUNICATIONS

For more information visit our corporate  
website at [www.cachemetals.com](http://www.cachemetals.com)

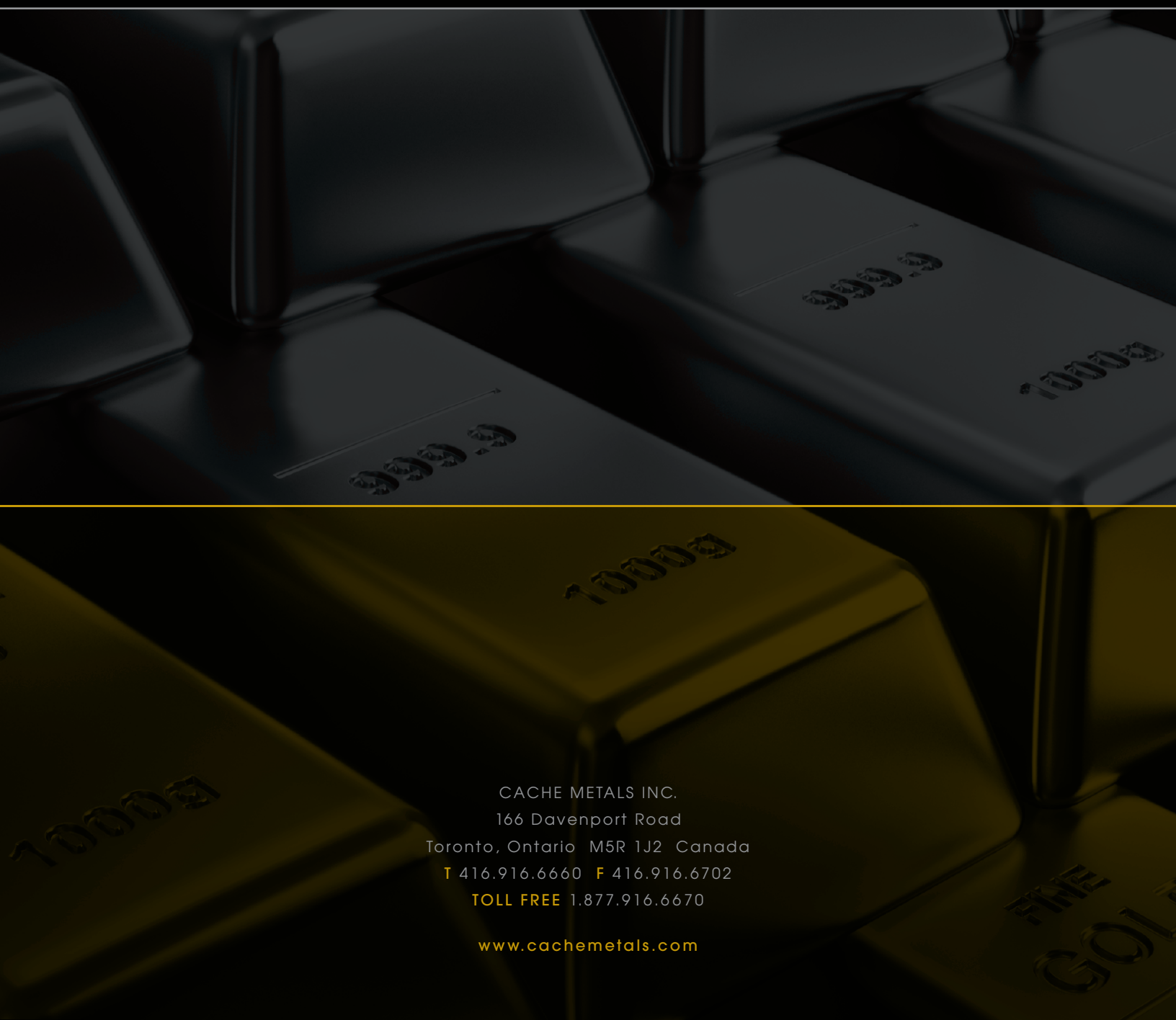
For general inquiries, contact us at  
[info@cachemetals.com](mailto:info@cachemetals.com)

To learn more about precious metals contact  
us at [sales@cachemetals.com](mailto:sales@cachemetals.com)

### CAREERS

Cache Metals is always looking for the right individuals  
to join our team. If you feel you have the dedication and  
work ethic to excel in the exciting, fast paced and  
rewarding field of precious metals, please forward your  
resume to [careers@cachemetals.com](mailto:careers@cachemetals.com)





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