

2009 BCSECCOM 71

Notice of Hearing

Rocky Mountain Gold Mining Inc., RMG Mining Inc. and Ryan Anthony Gibson

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

¶ 1 The Commission will hold a hearing (Hearing) at which the Executive Director will tender evidence, make submissions and apply for orders against Rocky Mountain Gold Mining Inc., RMG Mining Inc. and Ryan Anthony Gibson under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418, based on the following facts:

¶ 2 **Background**

1. Rocky Mountain Gold Mining Inc. (Rocky Mountain) is a Delaware, USA company. It is not registered to do business in British Columbia or Canada. It has a registered address in Wilmington, Delaware, and an office in Vancouver, British Columbia.
2. RMG Mining Inc. (RMG) is a British Columbia corporation with offices in Vancouver, British Columbia.
3. Ryan Anthony Gibson (Gibson) is a resident of Vancouver, British Columbia. He is the sole officer and director of both Rocky Mountain and RMG.

Illegal Trading and Distribution of Securities

4. Rocky Mountain, RMG and Gibson are not registered to trade securities under the Act.
5. Rocky Mountain has not filed a prospectus under the Act.
6. Between February and November 2006, the Respondents devised and implemented a scheme to issue securities of Rocky Mountain.
7. Rocky Mountain entered into an agreement with a Panamanian company granting it options to purchase shares in Rocky Mountain. It allowed the Panamanian company to:
 - (a) exercise the options by way of promissory note;
 - (b) sell Rocky Mountain shares to residents of the United Kingdom (UK Investors); and

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- (c) issue Rocky Mountain share certificates to the UK Investors on behalf of Rocky Mountain.
- 8. RMG maintained a bank account in Vancouver, British Columbia (the RMG Account).
- 9. 166 investors in the United Kingdom purchased approximately 3.1 million shares of Rocky Mountain for a total of approximately \$2.4 million dollars.
- 10. Part of the proceeds from the sale of Rocky Mountain shares to the UK Investors was to be sent to the RMG Account. This transaction was halted because securities regulators intervened, and in due course, caused the proceeds to be returned to the UK Investors.
- 11. By engaging in the conduct outlined above, the Respondents traded and distributed securities of Rocky Mountain contrary to sections 34 and 61 of the Act.
- 12. Gibson, as officer and director of both Rocky Mountain and RMG, authorized, permitted or acquiesced in Rocky Mountain and RMG's contraventions of sections 34 and 61 of the Act, and therefore contravened the same provisions under section 168.2 of the Act.

Conduct Contrary to the Public Interest

- ¶ 3 The Respondents' conduct as set out in this Notice was contrary to the public interest.

Hearing Process

- ¶ 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 The Respondents or their counsel are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on Tuesday, March 3, 2009, at 9:30 am if they wish to be heard before the Commission sets a date for the Hearing.
- ¶ 6 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

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time. Determinations adverse to the Respondents may be made in their absence.

¶ 7 February 3, 2009

¶ 8 Brenda M. Leong
Executive Director