Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
FAX: (801)530-6980

**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF: **TIN CUP MINING CORPORATION** **GILES H. FLORENCE** **Respondents.**	**ORDER TO SHOW CAUSE** **Docket No.** SD-07-0085 **Docket No.** SD-07-0086

It appears to the Director of the Utah Division of Securities (Director) that Tin Cup Mining Corporation and Giles H. Florence, may have engaged in acts and practices that violate the Utah Uniform Securities Act, Utah Code Ann. § 61-1-1, et seq. (the Act). Those acts are more fully described herein. Based upon information discovered in the course of the Utah Division of Securities' (Division) investigation of this matter, the Director issues this Order to Show Cause in accordance with the provisions of § 61-1-20(1) of the Act.

STATEMENT OF JURISDICTION

1. Jurisdiction over the Respondents and the subject matter is appropriate because the Division alleges that the Respondents violated § 61-1-1 (securities fraud) of the Act,

while engaged in the offer and sale of securities in Utah.

STATEMENT OF FACTS

THE RESPONDENTS

2. Tin Cup Mining Corporation (Tin Cup Mining) was registered as a Nevada corporation in 1998, but its corporate status was revoked in 2006. Giles H. Florence was the president and treasurer of Tin Cup Mining. Tin Cup Mining is not a registered entity in Utah.

3. Giles H. Florence (Florence) resides in Salt Lake County, Utah.

GENERAL ALLEGATIONS

4. Between December 2002 and May 2003, Florence collected a total of $160,525 from three Utah investors.

5. Florence told investors their money would be used to get production started at two gold mines owned by Tin Cup Mining.

6. Florence promised some investors returns in excess of 300% in a matter of months, paid in cash and in gold obtained from the mines.

7. Florence gave investors signed promissory notes, some of which were in the form of a "Gold Bullion Contract," to evidence their investments.

8. With the exception of one small payment to an investor, Florence and Tin Cup Mining made no payments of interest or principal to any of their investors.

Investor MA

9. In December 2002, in Salt Lake County, Utah, investor MA met with Florence to discuss an investment opportunity in Tin Cup Mining.

10. Florence told MA that Florence's company, Tin Cup Mining, needed funds to begin immediate gold production from its mines in Nevada and California.

11. Florence told MA that Tin Cup Mining owned all the milling and mining equipment near the Nevada mine site, and that production would begin immediately.

12. On or about December 13, 2002, Florence and MA entered into a "Gold Bullion Contract." MA agreed to invest $32,350 into Tin Cup Mining in return for 200 ounces of gold (valued at a minimum of $64,700) which would be produced from the Nevada mine before July 15, 2003. According to the contract, if the mine produced no gold, Tin Cup Mining and Florence would return MA's principal and pay him 6% interest by July 15, 2003.

13. On December 13, 2002, MA invested $32,350 with Tin Cup Mining and Florence, by cashier's check made payable to Tin Cup Mining.

14. On or about January 6, 2003, in Salt Lake County, Utah, Florence asked MA to invest $16,175 into a second Gold Bullion Contract with Tin Cup Mining.

15. Florence guaranteed MA that gold production would occur within 45 to 120 days. In addition, Florence told MA that, if he invested, MA could purchase additional gold bullion from Tin Cup Mining at a 50% discount.

16. On January 6, 2003, MA invested $16,175 with Tin Cup Mining and Florence, by

cashier's check made payable to Tin Cup Mining.

17. MA received another Gold Bullion Contract in return for his investment, stating that MA would receive 100 ounces of gold (valued at a minimum of $32,350) produced from the Nevada or California mine, on or before July 15, 2003. The contract also provided that, in the event of default, MA would receive his principal investment in addition to 6% interest by July 15, 2003.

18. On or about January 31, 2003, in Salt Lake County, Utah, Florence asked MA to loan Tin Cup Mining $20,000 for a ninety-day short-term operating loan to assist with current operating expenses.

19. Florence told MA that, with the additional money, the California mine could be producing gold immediately.

20. On January 31, 2003, MA gave Florence a cashier's check for $20,000 made payable to Tin Cup Mining.

21. In return, Florence gave MA a promissory note, stating that MA would receive his principal within 90 days, and 200 ounces of gold from the Nevada or California mine within eight months of signing the note.

22. On or about February 19, 2003, in Salt Lake County, Utah, Florence asked MA for a second loan of $20,000 to Tin Cup Mining for a short-term operating loan to get the Nevada and California mines into production.

23. Florence told MA the mining operations were ready to produce gold but needed a short-

term loan to meet expenses.

24. Florence promised to pay MA his principal with 100% interest within 30 days.

25. On February 19, 2003, MA gave Florence two personal checks totaling $20,000, made payable to Tin Cup Mining.

26. In return, Florence gave MA a promissory note, stating that MA would receive his principal plus interest of 100% in 30 days. The note was signed by Florence on behalf of Tin Cup Mining.

27. Since making his investments with Florence and Tin Cup Mining, MA has received one payment of $6,000.

28. Florence and Tin Cup Mining still owe MA $88,525 in principal alone.

Investor SA

29. On or about March 24, 2003, in Salt Lake County, Utah, Florence asked SA to loan $20,000 to Tin Cup Mining for a sixty-day loan to assist with operating expenses.

30. Florence told SA he would receive his principal plus 100% interest within 60 days. In addition, Florence told SA he would receive 100 ounces of gold bullion within six months of the beginning of production at the Nevada and California mines, which was supposed to begin immediately.

31. On March 24, 2003, SA invested $20,000 in Tin Cup Mining, via wire transfer to Tin Cup Mining's bank account.

32. In return for SA's investment, he received a promissory note from Florence, which

appears to have been signed by Florence on behalf of Tin Cup Mining.

33. The note stated that SA would receive his principal plus 100% interest in 30 days.

34. Prior to accepting SL's investment funds, Florence failed to tell SA, among other things, that he and Tin Cup Mining had already defaulted on a prior investor's promissory note (MA's February 19th, 2003 note).

35. Florence and Tin Cup Mining failed to pay SA his principal or interest, and still owe SA $20,000 in principal alone.

Investor SL

36. On or about April 7, 2003, Florence asked SL to loan $20,000 to Tin Cup Mining for a short-term loan to assist with operating expenses.

37. Florence to SL he would receive his principal within six months and an additional $20,000 for interest.

38. On or about April 7, 2003, SL invested $20,000 in Tin Cup Mining, via wire transfer to Tin Cup Mining's bank account.

39. In return, Florence gave SL a promissory note for $20,000, stating that SL would receive his principal plus interest of 100% in six months. The note appears to have been signed by Florence.

40. On or about May 12, 2003, in Salt Lake County, Utah, Florence asked SL to loan $12,000 to Tin Cup Mining to assist with operating expenses.

41. Florence told SL that in return he would receive the $40,000 Florence owed SL from SL's first investment, on or before June 7, 2003, and an additional $40,000 from gold production or other available funds within six months of the start of mining.

42. On or about May 12, 2003, SL invested $12,000 with Florence and Tin Cup Mining via wire transfer to Tin Cup Mining's account. In return, Florence gave SL a promissory note for $12,000 with the promised terms. The note appears to have been signed by Florence.

43. On or about July 9, 2003, SL invested an additional $20,000 with Florence and Tin Cup Mining via wire transfer to Tin Cup Mining's account. This investment was to be added to SL's first investment of $20,000, and be subject to the terms contained in the first promissory note (principal plus 100% interest in 6 months).

44. On July 10, 2003, Florence signed a receipt acknowledging the receipt of SL's $20,000, and gave the receipt to SL.

45. Prior to accepting any of SL's investment funds, Florence failed to tell SL, among other things, that he and Tin Cup Mining had defaulted on two promissory notes, each in the amount of $20,000, given to a prior investor.

46. Florence and Tin Cup Mining failed to pay SL any principal or interest on any of his investments, and still owe SL $52,000 in principal alone.

CAUSES OF ACTION

COUNT I
Securities Fraud under § 61-1-1 of the Act

47. The Division incorporates and re-alleges paragraphs 1 through 46.

48. The promissory notes and guarantees offered and sold by Tin Cup Mining and Florence to investors are all securities under § 61-1-13 of the Act.

49. In connection with the offer and sale of securities to investors, Tin Cup Mining and Florence, directly or indirectly, made false statements, including, but not limited to, the following:

    a. Florence told MA the mining and production from the mines would begin immediately, when in fact, Florence had no reasonable basis on which to make this representation;

    b. Florence told MA the mining and milling equipment was owned by Tin Cup Mining, when in fact, a different entity controlled by Florence (F&S Enterprises) owned the equipment; and

    c. Florence led MA to believe that Tin Cup Mining owned the Nevada and California mining claims, when in fact, Tin Cup Mining did not own the claims.

50. In connection with the offer and sale of securities to investors, Respondents, directly or indirectly, failed to disclose material information, including, but not limited to, the following, which was necessary in order to make representations made not misleading:

a. Respondents failed to inform SA that they had defaulted on a promissory note owed to investor MA in the amount of $20,000;

b. Respondents failed to inform SL that they had defaulted on two promissory notes owed to MA, both in the amount of $20,000;

c. Respondents failed to provide investors with some or all of the information typically provided in an offering circular or prospectus regarding Tin Cup Mining, such as:

   i. The business and operating history for Tin Cup Mining;

   ii. Identities of the principals for Tin Cup Mining, along with their experience with gold mining;

   iii. Financial statements for Tin Cup Mining;

   iv. The market for Tin Cup Mining's product(s);

   v. The nature of the competition for the product(s);

   vi. The current capitalization for Tin Cup Mining;

   vii. A description of how the investment would be used by Tin Cup Mining;

   viii. The track record of Tin Cup Mining to investors;

   ix. Risk factors for investors;

   x. The number of other investors;

   xi. The minimum capitalization needed to participate in the investment;

   xii. The disposition of any investments received if the minimum capitalization

were not achieved;

xiii. The liquidity of the investment;

xiv. Discussion of pertinent suitability factors for the investment;

xv. The proposed use of the investment proceeds;

xvi. Any conflicts of interest the issuer, the principals, or the agents may have with regard to the investment;

xvii. Agent commissions or compensation for selling the investment;

xviii. Whether the investment is a registered security or exempt from registration; and

xix. Whether the person selling the investment is licensed.

51. Based upon the foregoing, Tin Cup Mining and Florence violated § 61-1-1 of the Act.

ORDER

The Director, pursuant to § 61-1-20 of the Act, hereby orders the Respondents to appear at a formal hearing to be conducted in accordance with Utah Code Ann. §§ 63-46b-4 and 63-46b-6 through -10, and held before the Utah Division of Securities. The hearing will occur on January 15, 2008, at 11:00 a.m., at the office of the Utah Division of Securities, located in the Heber Wells Building, 160 East 300 South, 2nd Floor, Salt Lake City, Utah. The purpose of the hearing is to establish a scheduling order and address any preliminary matters. If the Respondents fail to file an answer and appear at the hearing, the Division of Securities may hold Respondents in default, and a fine may be imposed in accordance with Utah Code Ann. § 63-46b-11. In lieu of default, the Division may decide to proceed with the hearing under § 63-46b-

10. At the hearing, the Respondents may show cause, if any they have:

a. Why Tin Cup Mining Corporation and Giles H. Florence should not be found to have engaged in the violations alleged by the Division in this Order to Show Cause;

b. Why Tin Cup Mining Corporation and Giles H. Florence should not be ordered to cease and desist from engaging in any further conduct in violation of Utah Code Ann. § 61-1-1, or any other section of the Act;

c. Why Tin Cup Mining Corporation should not be ordered to pay a fine of one hundred and seventy one thousand dollars ($171,000) to the Division of Securities, which may be reduced by restitution paid to the victims;

d. Why Giles H. Florence should not be ordered to pay a fine of one hundred and seventy one thousand dollars ($171,000) to the Division of Securities, which may be reduced by restitution paid to the victims.

DATED this 7TH day of December, 2007.

WAYNE KLEIN
Director, Utah Division of Securities

Approved:

JEFF BUCKNER
Assistant Attorney General

D. H.

Division of Securities
Utah Department of Commerce
160 East 300 South, 2nd Floor
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
FAX: (801) 530-6980

BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH

IN THE MATTER OF: **TIN CUP MINING CORPORATION** **GILES H. FLORENCE** **Respondents.**	**NOTICE OF AGENCY ACTION** **Docket No.** SD-07-0085 **Docket No.** SD-07-0086

THE DIVISION OF SECURITIES TO THE ABOVE-NAMED RESPONDENTS:

The purpose of this Notice of Agency Action is to inform you that the Division hereby commences a formal adjudicative proceeding against you as of the date of the mailing of the Order to Show Cause. The authority and procedure by which this proceeding is commenced are provided by Utah Code Ann. §§ 63-46b-3 and 63-46b-6 through 11. The facts on which this action is based are set forth in the foregoing Order to Show Cause.

Within thirty (30) days of the mailing date of this notice, you are required to file an Answer with the Division. The Answer must include the information required by Utah Code § 63-46b-6 (1). In addition, you are required by § 63-46b-6 (3) to state: a) by paragraph, whether

you admit or deny each allegation contained in the Order to Show Cause, including a detailed explanation for any response other than an unqualified admission; b) any additional facts or documents which you assert are relevant in light of the allegations made; and c) any affirmative defenses (including exemptions or exceptions contained within the Utah Uniform Securities Act) which you assert are applicable. To the extent that factual allegations or allegations of violations contained in the Order to Show Cause are not disputed in your Answer, they will be deemed admitted.

Your Answer, and any future pleadings or filings that should be part of the official files in this matter, should be sent to the following:

Signed originals to:	A copy to:
Administrative Court Clerk c/o Pam Radzinski Division of Securities 160 E. 300 S., Second Floor Box 146760 Salt Lake City, UT 84114-6760 (801) 530-6600	Jeff Buckner Assistant Attorney General 160 E. 300 S., Fifth Floor Box 140872 Salt Lake City, UT 84114-0872 (801) 366-0310

A hearing date has been set for Tuesday, January 15th, 2008, at 11:00 a.m., at the office of the Utah Division of Securities, located in the Heber Wells Building, 160 East 300 South, 2nd Floor, Salt Lake City, Utah.

If you fail to file an Answer, as set forth herein, or fail to appear at the hearing, the Division of Securities may hold you in default, and a fine and other sanctions may be imposed

against you in accordance with Utah Code Ann. § 63-46b-11, without the necessity of providing you with any further notice. In lieu of default, the Division may decide to proceed with the hearing under § 63-46b-10. At the hearing, you may appear and be heard and present evidence on your behalf. You may be represented by counsel during these proceedings.

The presiding officer in this case is Wayne Klein, Director, Division of Securities. Questions regarding the Order to Show Cause and Notice of Agency Action should be directed to the Division's attorney, Jeff Buckner, at (801) 366-0310.

DATED this 7th day of December, 2007.

Wayne Klein

WAYNE KLEIN
Director, Division of Securities
Utah Department of Commerce

Certificate of Mailing

I certify that on the 7TH day of DECEMBER, 2007, I mailed, by certified mail, a true and correct copy of the Order to Show Cause and Notice of Agency Action to:

Tin Cup Mining Corporation
Giles H. Florence
1260 East 6200 South
Salt Lake City, UT 84121

Certified Mail # 7007 0710 0003 0208 1365

PAMALA RADDINGER
Executive Secretary