TRANSITION NETWORKS®

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Sourcing Policy for Conflict Minerals

As reported by the EICC, the origin of certain minerals has become the Democratic Republic of Congo's main revenue source of armed rebel groups. These funds allow the rebel groups to deal in arms, continue its bloody conflict between government forces, devastate the local civilian population, thus triggering international disputes.

As required by the Dodd-Frank Act, the U.S. Securities and Exchange Commission (SEC) requires public companies to disclose whether they use certain materials sourced in the DRC. Transition Networks utilizes contract manufacturers for the production of our products, and as such does not purchase any of the subject materials from smelters or mines, therefore we rely on the source information provided by our suppliers. Transition Networks, as a global citizen, declares and commits to refusing the application of metals from fighting regions; meanwhile, we request that Transition Networks' supply chain:

1. Conduct your operations in a way of social and environmental responsibility

2. Not use the conflict minerals originating from the Democratic Republic of the Congo (DRC) and it's adjoining countries

3. Make the same requirements to your upstream suppliers.

Minerals mined in Eastern Congo pass through the hands of numerous middlemen as they are shipped out of Congo, through neighboring countries such as Rwanda or Burundi, to East Asian processing plants.[8] Because of this, the US Conflict Minerals Law applies to materials originating (or claimed to originate) from the DRC as well as the nine adjoining countries: Angola, Burundi, Central African Republic, Congo Republic (a different nation than DRC), Rwanda, Sudan, Tanzania, Uganda, and Zambia.

Currently, the list consists of only four minerals:

- **Columbite-tantalite** (or *coltan*, the colloquial African term) is the metal ore from which the element tantalum is extracted. Tantalum is used primarily for the production of capacitors, particularly for applications requiring high performance, a small compact format and high reliability.. In its carbide form, tantalum possesses significant hardness and wear resistance properties.

- **Cassiterite** is the chief ore needed to produce tin, essential for the production of tin cans and solder on the circuit boards of electronic equipment. Tin is also commonly a component of biocides, fungicides and as tetrabutyl tin/tetraoctyl tin, an intermediate in polyvinyl chloride (PVC) and high performance paint manufacturing.

- **Wolframite** is an important source of the element tungsten. Tungsten is a very dense metal and is frequently used for this property. Like tantalum carbide, tungsten carbide possesses hardness and wear resistance properties and is frequently used in applications like metalworking tools, drill bits and milling. Smaller amounts are used to substitute lead in "green ammunition". Minimal amounts are used in electronic devices, including the vibration mechanism of cell phones.

- **Gold** is used in jewelry, electronics, and dental products. It is also present in some chemical compounds used in certain semiconductor manufacturing processes.

These are sometimes referred to as "*the 3T's and gold*", *3TG*, or even simply the "*3T's*". Under the US Conflict Minerals Law, additional minerals may be added to this list in the future.

Scott Otis President and General Manager January 2014