



March 13, 2017

**Subject: Conflict Minerals Compliance Statement**

Dear Valued Customer,

In July of 2010, the United States Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act requiring that companies who file with the Securities Exchange Commission (SEC) report upon the use of specific “conflict minerals” which may directly or indirectly finance armed conflict and human rights violations in the Democratic Republic of the Congo (DRC) or adjoining countries. Included within these “conflict minerals” are those which may be smelted into tin, tantalum, tungsten and gold (T3G); materials which are often used in the manufacture of electronics components.

As part of our commitment to corporate responsibility and respecting human rights in our own operations and in our supply chain, it is the goal of ERLPhase Power Technologies Ltd. to only use T3G materials in our products that do not directly or indirectly finance or benefit armed groups in the DRC or adjoining countries while continuing to support responsible mineral sourcing in the region.

ERLPhase is committed to responsible purchasing practices to mitigate and eliminate the risk of sourcing materials which may contain conflict minerals, and has adopted a Conflict Minerals Responsible Sourcing Policy. We encourage our suppliers to have in place similar policies and due diligence measures to reasonably assure that products and components supplied to ERLPhase containing conflict minerals are DRC conflict free.

Should you require any additional information regarding the ERLPhase conflict minerals purchasing policy, please feel free to contact your local ERLPhase sales representative or contact our head office at [info@erlphase.com](mailto:info@erlphase.com).

Yours sincerely,

A handwritten signature in black ink that reads "John Swindlehurst". The signature is written in a cursive, flowing style.

**John Swindlehurst**  
President – ERL Americas  
ERLPhase Power Technologies