

Variscite LTD Conflict Minerals Update

January 23rd, 2013

Dear Variscite Customer,

We have received several inquiries from our customers in respect to the conflict Minerals issue addresses in **Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act** that was passed by the US congress in July 2010.

Variscite might indirectly use Tantalum, Tin, Tungsten, and Gold (3T&G) to manufacture its products. Variscite does not purchase 3T&G directly from smelters or mines, so we must rely on the source information provided by our suppliers. The information provided thus far is incomplete, as the supply chain is still working through the process with their suppliers and sub-suppliers.

We will continue to assess the conflict status of our supply chain and, if identified, will eliminate the use of supplier materials that include 3T&G from conflict sources as soon as commercially practicable.

In the meanwhile, if you have any questions, please contact Variscite team: sales@variscite.com

Thank you for your patient in this matter. We look forward to our continued partnership.

Sincerely,

Variscite Quality Control