

Conflict Minerals

In 2010, Congress passed the Dodd-Frank Act, this law directed the U.S. Securities and Exchange Commission (“SEC”) to enact rules obligating certain publically traded manufacturing companies to annually report whether the products they manufacture or contract to manufacture contain “Conflict Minerals” that are necessary to the functionality or production of those products. The SEC published its Conflict Minerals rule in August 2012.

Under this rule, minerals known as “Conflict Minerals” include: columbite-tantalite (coltan) refined into tantalum, cassiterite refined into tin, wolframite refined into tungsten and gold mined either in the Democratic Republic of Congo (“DRC”) or one of nine (Republic of Congo, Central Africa Republic, South Sudan, Zambia, Angola, Tanzania, Burundi, Rwanda and Uganda) African nations that share a border with the DRC. The goal of the SEC rule is to help end civil conflict and human rights abuses in the DRC Region committed by armed militant groups by denying revenue to those groups that derive their funding from control of mines in the DRC Region that produce Conflict Minerals.

Richway Industries, Ltd. does not file reports with the SEC and therefore has no legislative obligations to comply with the conflict minerals reporting requirements. Additionally, we are aware the SEC final rule for Section 1502 mandates some of our customers to undertake due diligence across their supply chains and we aim to provide an appropriate level of support to assist them in their reporting obligations.

Statement

Richway Industries, Ltd. maintains due diligence to attempt to only procure raw materials containing "Conflict Minerals" that do not support conflict. Although we do not source directly from smelters we are working with our suppliers to understand the sources of the metals contained in the products they supply to us. Richway Industries, Ltd. expects our suppliers to adopt policies consistent with the SEC’s Conflict Minerals provisions and that they will put in practice steps to ensure that the minerals they include in their products are responsibly sourced. We expect our suppliers to take similar measures with their suppliers to ensure alignment throughout the supply chain. Richway Industries, Ltd. will continue to work closely with customers and suppliers regarding good practices, responsible solutions and rule compliance.