

DYNASIL CORPORATION OF AMERICA

CONFLICT MINERALS POLICY

Background

In 2010, Congress enacted Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) to address the exploitation and trade of certain minerals which contribute to violence and human rights abuses in the Democratic Republic of the Congo (the “DRC”) and its neighboring countries. In 2012, the SEC adopted rules implementing Section 1502 (the “Conflict Minerals Rules”), which require public companies to annually disclose: (i) information about whether the products they manufacture or contract to manufacture contain Conflict Minerals that originated in any “Covered Countries,” and if so, (ii) information about the source and supply chain of those Conflict Minerals. It is expected that the Conflict Minerals Rules will reduce a significant source of funding for armed groups that are committing human rights abuses in the DRC and the other Covered Countries.

“Conflict Minerals” include gold, columbite-tantalite (coltan), cassiterite, and wolframite, as well as their derivatives, tantalum, tin and tungsten. The “Covered Countries” include the DRC, the Republic of the Congo, the Central African Republic, South Sudan, Uganda, Rwanda, Burundi, Tanzania, Zambia and Angola.

Our Policy

Dynasil Corporation of America is committed to ensuring that Conflict Minerals contained in its products are sourced with due respect for human rights, avoiding any contribution to armed conflict through its supply chain practices, and supporting responsible development through such practices. We are committed to sourcing products from suppliers that share our values with regard to human rights, ethics, and social and environmental responsibility.

We expect that all of our suppliers will partner with us to: (i) provide appropriate information and conduct necessary due diligence in order to facilitate our compliance with the Conflict Minerals Rules, and (ii) adopt appropriate sourcing practices so that Conflict Minerals are sourced only in a manner that results in products and materials that are DRC Conflict Free. “DRC Conflict Free” means that the product does not contain Conflict Minerals that directly or indirectly financed or benefitted armed groups in the Covered Countries.

Dynasil Corporation of America does not typically source conflict minerals directly from mines, smelters or refiners, and, accordingly, in most cases, is several levels removed from these market participants. As a result, we require and depend on the cooperation of our suppliers in the implementation of this policy. We are committed to working with our suppliers to educate them about these issues and the steps that they can take to increase the transparency of the supply chain and to ensure that products and materials in the supply chain are DRC Conflict Free.

Our Expectations for Our Suppliers

We have the following expectations of our suppliers:

- Our suppliers should not supply us with any products or other materials that directly or indirectly finance or benefit armed groups in the Covered Countries;
- Our suppliers are expected to source Conflict Minerals only from sources that are DRC Conflict Free.
- Our suppliers should develop policies, procedures, due diligence processes and management systems that are reasonably designed to: (i) prevent products or materials that are not DRC Conflict Free from entering our supply chain and (ii) provide transparency as to the source of any Conflict Minerals;

- Our suppliers are expected to take steps to: (i) identify the steps in the supply chain through which Conflict Minerals are introduced, (ii) undertake all due diligence efforts necessary to identify the smelter, refiner and/or mine from which Conflict Minerals originate, including requiring direct or indirect suppliers to our suppliers to cooperate in diligence efforts, and (iii) provide any information necessary to facilitate our compliance efforts with respect to the Conflict Minerals Rules;
- Our suppliers are required to certify that they have implemented procedures to identify and monitor the origin of products that are produced with Conflict Minerals and to immediately notify Dynasil Corporation of America if there is any change to the Supplier's initial certification; and
- Our suppliers are encouraged to support industry efforts to enhance the traceability and responsible sourcing of Conflict Minerals.

In seeking to meet these expectations, our suppliers will be expected to:

- Implement and communicate policies that are consistent with the Dynasil Corporation of America Conflict Minerals Policy, and require that their direct and indirect suppliers do the same;
- Establish procedures and contractual provisions that facilitate the traceability of Conflict Minerals within our supply chain and provide for the sourcing of DRC Conflict Free products and materials under all circumstances;
- Provide us with timely and accurate information, at our request, regarding the source of Conflict Minerals in our supply chain and the steps that have been undertaken to determine whether such products and materials are DRC Conflict Free, including whether the source has been verified by a recognized, independent third party;
- Use reasonable efforts to source Conflict Minerals from smelters and refiners that have been validated by a recognized, independent third party as DRC Conflict Free; and
- Advise us as promptly as possible of any determination that any products or materials in our supply chain are not DRC Conflict Free.

Dynasil Corporation of America believes in establishing and maintaining long-term relationships with suppliers whenever possible. However, if we determine that any supplier is or may be violating this policy, then, in such event, at the very least, we will require such supplier to commit to devise and undertake promptly, a suitable corrective action or risk mitigation plan. Any supplier's continuing failure to adhere to this policy and/or a refusal to address issues of concern will likely lead to suspension or termination of our business relationship with such supplier.

Nothing in this Dynasil Corporation of America Conflict Minerals Policy is intended to in any way grant any additional rights or expectations to any of our suppliers, or in any way modify or otherwise limit our contractual or legal rights.

Additional Information

Our employees, suppliers and other interested parties may contact us regarding this Dynasil Corporation of America Conflict Minerals Policy at: pkehe@dynasil.com