



April 14th 2012

The Honourable Mary L. Schapiro
Chairman
U. S. Securities and Exchange Commission
100 F Street, NE Washington, D.C.

Ref: S7-40-10-Conflict Minerals

Honourable Chairman Shapiro, and Commission Members.

We have recently read a letter and proposal sent to your Commission by Mr William Quam, of Nordic Sun Worldwide Ltd, with a head office in Kigali, Rwanda.

The letter goes to great lengths attempting to discredit the ITRI Tin Supply Chain Initiative (iTSCi), a pragmatic programme supported by not only the Governments of the Democratic Republic of the Congo, Rwanda and Burundi, as well as the International Conference of the Great Lakes, but also by miners, local and international traders and processors of tin tantalum and tungsten (The '3T' minerals). The Programme is in place, not where iTSCi decides, but at conflict-free sites, upon the request of Governments and of the miners themselves: it is an inclusive, not an exclusive programme as the letter implies. Currently it is operating successfully at approximately 500 sites across Rwanda and Katanga Province. Representatives from the DRC Government, and also the ICGLR have also just requested that iTSCi commence as soon as possible in Maniema Province.

It is also a Programme that has found favour with the EICC/GeSI developed Conflict Free Smelter (CFS) Programme – which also comes into significant criticism from Mr Quam – and recently such U.S. companies as AVX, HP, Intel, Kemet, Motorola, etc have gone on record stating that it is a key part of their 'conflict-free' programme. Furthermore the programme meets all the requirements of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and was recently commended by the United Nations Group of Experts in their 2011 report.

Conversely, we note that Mr Quam provides no actual data or other factual evidence to support his claims for his own process: furthermore, from our discussions with several local operators we are unable to determine at what minesites he claims to have carried out his research work.

Suffice to say that the vast majority of the charges made in Mr Quam's letter appear, in our opinion, to be without foundation. We will not waste your valuable time in refuting each and every point.

However, the letter claims that 'fingerprinting', with a Hand-held Niton Analyser, is not an answer, but the *only* answer: it is on this we wish to address these comments.

One of the two basic premises of Mr Quam is that analysis is not part of the iTSCi programme: this is erroneous, we currently have a sampling programme under way which will provide scan analyses of typical minerals from each minesite. The analyses are due to be carried out at a laboratory in Rwanda as laboratory analyses are more reliable and provide more accurate data than hand-held XRF devices. The objective of this sampling programme is that it will provide buyers with a typical minesite analysis, against which they are able to compare their purchases.

The other premise is that hand held analyses will provide not only a full mineralogical 'fingerprint', but that this is the only factor required in a full Due Diligence programme. Both are incorrect.

Proper 'Fingerprinting' is a highly detailed, and accurate determination well beyond the limits of hand held analysers, as it analyses not just the major elements, but also of the associated minor and trace elements, as well as developing some mineralogical data, including grain size analysis and the age of the mineral itself – neither of which XRF analysis can provide. It *is* a technology that, once a reference sample database has been set up could well assist in Chain of Custody management, but at best it would only be *one part* of a much more encompassing programme. To this end the German Bundesanstalt für Geowissenschaften und Rohstoffe (BGR) spent three years developing a fingerprinting template, while in the United States, the Juanita College, Huntington PA, is conducting project (with input from the Smithsonian Institution, the Army Research Office, and scientists at UC Berkeley, A3 Technologies, LLC (Aberdeen, MD) and Applied Spectra, Inc. of Fremont, CA), utilizing laser-induced breakdown spectroscopy. The iTSCi Programme has co-operated with both programmes and will continue to provide samples to both these facilities, as they develop both the process and a reference sample database.

As noted, even if fingerprinting *were* to prove satisfactory, both technically and economically, it would only be a small part of a full due diligence programme. It would NOT determine which mine sites are conflict free; it would NOT provide any information on weights, it would NOT provide an alert system or the necessary risk mitigation through stakeholder engagement; nor would it provide the necessary auditing; finally it would require also significant 'capacity building' of operators – all of which is included within the iTSCi Programme – which incidentally costs much less than that claimed by Mr Quam.

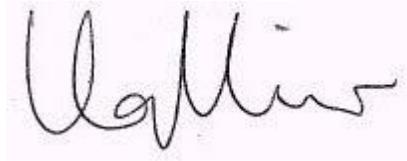
This is not to state hand-held analysers do not have a place, and the iTSCi programme certainly does not preclude their use. Likewise we are not suggesting that the Niton analyser is not a good unit, when used for proper purpose. Indeed such units have been in use for many years and many serious players in the minerals supply chain in Rwanda use the Niton analyser for indicative testing on the purity of minerals produced in the country, providing a preliminary check on quality prior to sale – which is always based upon more reliable laboratory analyses.

Finally, we do not claim the iTSCi programme to be perfect, nor foolproof: no programme will ever be that. What we *are* able to state however, is that it IS a fully integrated, pragmatic, working, in-region Government-supported, conflict-Free Supply Chain Management process in operation throughout Rwanda and Katanga, and which is ready to be rolled out into 'conflict-free' sites in Maniema and the Kivu Provinces.

Yours sincerely



Richard Burt



Kay Nimmo

On behalf of the iTSCi Programme Governance Committee