

ALY ENERGY SERVICES, INC.

CODE OF BUSINESS CONDUCT AND ETHICS

We Comply with the Law

As officers, directors and/or employees of Aly Energy Services, Inc. (the “Company”), each of us must comply with the letter and spirit of every applicable local, state, federal and foreign law or regulation. Violations of these laws can be extremely costly to us and can subject us to criminal penalties. Each of us is responsible for understanding the laws and regulations that relate to our job. Certain laws demand the attention of all employees, officers, and directors.

These include and are not limited to the following:

- **Securities Laws** – You may not buy, sell or recommend to others Company common stock or any other company’s stock if you have “material inside information.” Engaging in securities trading while in possession of such information is a violation of both civil and criminal law. Material inside information is any information that, if it were made public, could affect any investor’s decision to buy or sell the stock of a company. All such information should be kept strictly confidential.
- **Antitrust Laws** – Antitrust laws generally prohibit agreements with competitors, suppliers or customers that constitute unlawful restraint of trade, as well as price discrimination. This is a complex area, and officers, directors and employees whose activities cause them to confront these issues must familiarize themselves with the antitrust laws.
- **Laws Governing Group Activities** – If you are involved in international activities, you must be familiar with the Foreign Corrupt Practices Act. This Act generally prohibits payments to foreign officials to induce actions by them and requires us to maintain accurate books and records and a system of internal controls. We are prohibited from taking any action in support of an international boycott not sanctioned by the U.S. government.
- **Employment Laws** – We are committed to providing a work environment that is free from all forms of discrimination, including sexual harassment and harassment based on race, color, religion, sex, national origin, age, disability or other protected status. We provide equal opportunity in all of our employment practices and seek to ensure that each one of us is treated with fairness and dignity.
- **Occupational Health and Safety and Environmental Laws** – We are committed to providing a healthy and safe work environment. Each of us must abide by company standards in safety matters, do our part to maintain a healthy and safe work environment and take the necessary steps to ensure our own safety and the safety of others. We do not condone, and we will not tolerate, illegal drug use or abuse of alcohol by our employees.

We also respect and protect the environment. Therefore, each of us must adhere to environmental laws and regulations.

We Avoid Conflicts of Interest

A conflict of interest exists when an individual's duty of undivided commercial loyalty to the Company is or is perceived to be prejudiced by actual or potential personal benefit from another source. Conflicts of interest may result directly through your activities or indirectly through the activities of a family member, a person sharing your household or a person with whom you are associated. Generally, you may not solicit or accept salaries, fees, commissions or any other type of compensation from any individual or organization that conducts or seeks to conduct business with the Company or one of our competitors, and you may not have a financial or other interest in those who deal with the Company. You may not make a loan or extend credit to or receive a loan or credit from those who deal with the Company. You must not directly or indirectly attempt to influence any decision of the company in order to derive personal or financial benefit. In case of doubt, ask your supervisor, a Human Resources representative or the Company's Chief Financial Officer.

We Protect Confidential Information

Data, information and documents pertaining to the Company may be used only in the performance of your duties and may be disclosed or communicated to persons outside of the Company only to the extent that the information is needed by them in connection with their business relations with the Company. Each of you is required to keep this information confidential during your employment with the Company and after your employment terminates. This information includes our design technology, other intellectual property we use, business and financial information pertaining to sales, earnings, balance sheet items, business forecasts, business plans, program information, acquisition strategies and other information of a confidential nature. Any contact from the media should be referred to the Company's Chief Executive Officer or Chief Financial Officer, and no one should speak with the media.

We Do Not Make or Accept Improper Payments or Gifts

Improper payments include anything more than nominal value given to any person to obtain preferential treatment for either the Company or an officer, director or associate. You may not solicit or accept gifts or favors of more than nominal value from persons who deal or seek to deal with the Company. Likewise, you may not give such gifts or favors to these persons.

We Do Not Use Company Assets or Funds for Political Contributions

No person may use funds or assets of the Company to support a political party, committee or candidate. We will not reimburse officers, directors or employees for political contributions, and the Company does not make political contributions. If you wish to participate in political activities, you must do so during non-work hours and away from the Company property.

We Respect the Company and Each Other

Respect for the Company means not only avoiding misuse of Company funds and property, it includes identifying misuse and waste by others, creating and maintaining accurate books and records, safeguarding all types of information about the Company, complying with our document retention policy, complying with internal controls and procedures and avoiding conduct that interferes with our functioning in our position to the best of our ability. Respect for others means respecting their property, their self-esteem and their contributions to the overall success of the Company.

We Acknowledge Special Ethical Obligations for Financial Reporting

As a public company, it is of critical importance that the Company's filings with the Securities and Exchange Commission be accurate and timely and be prepared in accordance with generally accepted accounting principles. Depending on their position with the Company, employees, officers or directors may be called upon to provide information to assure that the Company's public reports and other public communications are complete, fair, and understandable. The Company expects all of its personnel to take their responsibility seriously and to provide prompt and accurate answers to inquiries related to its public disclosure requirements. The Chief Executive Officer, Chief Financial Officer and finance department personnel have a special role both to adhere to these principles themselves and also to insure that a culture exists throughout the Company which ensures fair and timely reporting of our financial results and condition. The Chief Financial Officer and finance department personnel, in addition to adhering to all other provisions of the Code of Business Conduct and Ethics, are responsible for promptly bringing to the attention of the Audit Committee any material information of which he or she may become aware that affect the disclosures made by the Company in its public filings or otherwise assisting the Audit Committee in fulfilling its responsibilities as specified in its Charter.

Implementation and Reporting Obligations

Adherence to the Code of Business Conduct and Ethics is the obligation of each officer, director and associate. The Company will consistently enforce this Code of Business Conduct and Ethics through appropriate disciplinary action, which may include termination of employment.