

## **ALY ENERGY SERVICES, INC.**

### **WHISTLEBLOWER FOR REPORTING COMPLAINTS REGARDING**

#### **ACCOUNTING AND AUDITING MATTERS**

##### **Statement of Policy**

Aly Energy Services, Inc. (the “Company”) is committed to providing a workplace conducive to open discussion of our business practices and is committed to complying with the laws and regulations to which we are subject. Accordingly, the Company will not tolerate conduct that is in violation of such laws and regulations. Each Company employee, including employees of our subsidiaries is encouraged to promptly report a good faith complaint regarding accounting or auditing matters in accordance with the provisions of this policy. Any other third party, such as vendors, consumers, stockholders or competitors also may report, under the procedures provided in this policy, a good faith complaint regarding accounting or auditing matters. To facilitate the reporting of complaints regarding accounting or auditing matters, the Audit Committee of our Board of Directors (the “Audit Committee”) has established procedures for (i) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters (“Accounting Matters”) and (ii) the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters. This policy is a supplement to the Code of Business Conduct and Ethics (the “Code”) and should be read in conjunction with the Code.

##### **Scope of Accounting Matters Covered by Policy**

This policy covers complaints relating to Accounting Matters, including, without limitation, the following types of conduct:

- fraud, deliberate error or gross negligence or recklessness in the preparation, evaluation, review or audit of any financial statement of the Company;
- fraud, deliberate error or gross negligence or recklessness in the recording and maintaining of financial records of the Company;
- deficiencies in, or noncompliance with, the Company’s internal accounting controls;
- misrepresentation or false statement to management, regulators, the outside auditors or others or by a senior officer, accountant or other employee regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
- deviation from full and fair reporting of the Company’s results or financial condition.

## **Policy of Non-Retaliation**

It is the Company's policy to comply with all applicable laws that protect our employees, (including the employees of our subsidiaries), against unlawful discrimination or retaliation by us or our agents as a result of their lawfully reporting information regarding, or their participation in, investigations involving Accounting Matters. If any employee believes he or she has been subjected to any harassment, threat, demotion, discharge, discrimination or retaliation by the Company or its agents for reporting complaints regarding Accounting Matters in accordance with this policy, he or she may file a complaint with our Compliance Officer. If it is determined that an employee has experienced any improper employment action in violation of this policy, we endeavor to promptly take appropriate corrective action.

## **Compliance Officer**

The Audit Committee has appointed a Compliance Officer who is responsible for administering this policy. Our Compliance Officer is Alya Hidayatallah, Chief Financial Officer of the Company, who may be reached at [alya@alyenergy.com](mailto:alya@alyenergy.com). The Compliance Officer is responsible for receiving and reviewing and then investigating (under the direction and oversight of the Audit Committee) complaints under this policy. If an employee has a complaint regarding an Accounting Matter, he or she should report such matter to the Compliance Officer. If the suspected violation involves the Compliance Officer or if an employee is uncomfortable bringing the matter to the attention of the Compliance Officer, the employee should instead report the suspected violation to the Chair of the Audit Committee, or any other member of the Audit Committee, or any other member of the Audit Committee.

## **Confidentiality**

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

## **Handling of Reported Violations**

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation. The Compliance Officer will also promptly notify the Audit Committee of such matter. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.