

# WESTWATER RESOURCES, INC.

## **Anti-Corruption Policy for the Use of Third-Party Agents Outside of the United States**

### 1. Introduction

It is the mission of Westwater Resources, Inc. (together with its subsidiaries and affiliates, the "**Company**") to comply with all applicable laws governing our business operations, both foreign and domestic, and to conduct our activities with integrity at all times.

This Anti-Corruption Policy for the Use of Third-Party Agents Outside of the United States ("**Policy**") sets forth procedures that Company directors, officers, and employees must follow in engaging an Agent (as defined below). This Policy covers all directors, officers, and employees of the Company and its subsidiaries. Only authorized directors, officers, and employees may engage Agents on the Company's behalf. **This policy is intended to be reviewed in addition to, and not in lieu of, the Company's Anti Corruption Policy. Copies of the Company's Anti-Corruption Policy are available on the Company's website.**

The Company will not tolerate the giving or acceptance of bribes of any kind in the conduct of our business, and in the activities of our many business partners worldwide. The Company recognizes that customary business practices vary globally and that it is not always clear what payments may be lawfully made in certain jurisdictions. It is often necessary to rely upon the expertise of local agents, consultants, business partners or other intermediaries (each, an "**Agent**") to conduct business on the Company's behalf. With potential criminal penalties at stake for violations of United States and international laws, including the Foreign Corrupt Practices Act ("**FCPA**"), the Company must carefully monitor the engagement of any Agent hired to conduct business outside of the United States.

### 2. Contractual Provisions

Any person engaging an Agent on behalf of the Company should formalize the engagement in writing, which shall be reviewed by the Company's General Counsel. This written agreement should include a commitment from the Agent to the Company that the Agent agrees not to engage in improper business conduct, such as bribery, with the intent to improperly influence behaviors or obtain any benefit for the Company. ***See Appendix A hereto for example language to be included in such contracts.*** This commitment may reduce the risk of a violation, and may provide evidence of the Company's intent to comply with anti-bribery laws, including the FCPA.

The Company should not rely upon standard compliance-with-law clauses, and instead should use the language included as Appendix A hereto, as certain laws, including the FCPA, may not apply directly to the Agent.

Moreover, in addition to the language provided in Appendix A, depending on the specific facts and circumstances of the services the Agent is engaged to provide, the Company should carefully consider including certain contractual provisions in the Agent's service agreement, such as:

- A detailed description of the scope of the Agent's services;
- A clear description of how the Company will compensate the Agent for its services;
- A formal acknowledgment by the Agent that the Agent understands the requirements of local anti-bribery laws and the requirements under the FCPA, and that the Agent agrees not to violate them;
- An agreement by the Agent to certify, on a periodic basis, that it has not violated any anti-bribery laws, including the FCPA, in the conduct of Company business;
- An agreement that the Agent will not sub-contract its services without the Company's written permission;
- Permission for the Company to audit the Agent's expenses and invoices;
- A requirement that the Agent will inform the Company if it is making payments of any kind to foreign officials; and/or
- An agreement that the Agent will inform the Company if the Agent (or its employees or affiliates, if the Agent is an entity) takes any official office or position in a foreign government.

Please contact the Company's General Counsel for assistance in drafting these provisions.

### 3. Conducting Due Diligence

Before engaging an Agent, the Company must conduct careful due diligence on the Agent to ensure the Agent will conduct Company business in an ethical and lawful manner. The Company should modify the steps taken to address the particular facts and circumstances of the engagement. These steps may include:

- **Confirming the Agent can perform the requested services.** The Company should determine that it is legal under local law for the Agent to perform the requested services. Then, the Company should research the Agent's past performance, experience, expertise, qualifications and competency to justify the Agent's employment and level of compensation. This background check should include gathering the type of information otherwise required for making any prudent business decision in the United States.

- **Determining the Agent's integrity.** The Agent's integrity should be evaluated by reviewing published press reports about the Agent's activities, by contacting references provided by the Agent, and by asking the following agencies whether they have information regarding any improper conduct by the Agent:
  - The relevant country desk at the U.S. State Department;
  - The relevant country or business desk at the U.S. Commerce Department;
  - The commercial attaché at the U.S. Embassy in the relevant foreign country; and
  - The commercial desk of the foreign country's embassy in the United States.
  
- **Determining the reputation for corruption of the foreign country in which the business activities will take place.** To accomplish this, conduct basic internet research, review press reports concerning corruption within the particular country, ministry or agency, and contact the agencies listed above. Has the country in question traditionally had a bribery problem or problems with corruption or FCPA violations? The Company may want to visit the Agent's place of business to ensure its staffing and operations are consistent with its representations, and may require that the Agent allow the Company to audit its books and records.
  
- **Identifying any relationships between the Agent and foreign officials.** These relationships may include whether the Agent's company is owned, directly or indirectly, by the government or a government official, and whether the Agent is related to members of the country's ruling party or family. Has the Agent (or its employees, affiliates or family members (if the Agent is an entity)) held political office or other appointment to a party or official government position? Was the Agent recommended to the Company by a foreign official or by a person or entity with business connections to a foreign entity?
  
- **Determining the reasonableness of compensation payments.** Are the payments consistent with the "fair market value" for such services in the jurisdiction? Is the Agent performing services in one country, yet directing that payments be sent to another country? Is the Agent requiring an unusually large "up-front" payment? Cash or equity compensation schemes that are not in line with market rates in that area may be a signal that there are "facilitation payments" or bribes being made in potential violation of local laws or the FCPA.

- **Thoroughly reviewing the Agent's expenses.** The Company should scrutinize all expenses before reimbursing the Agent, and should require documentation to support any expenses incurred on the Company's behalf. Pay particular attention if the Agent states that a particular amount of money is needed in order to "get the business" or "make the necessary arrangements," or if the Agent requests that the Company make a charitable or political contribution. In addition, Agent requests for the Company to prepare any false documentation, like purchase orders or invoices, are obvious red flags.
- **Using consistent standards and common sense to spot red flags.** Is the Agent asking that its identity be held confidential, or requiring the Company to work through intermediaries? Is the Agent refusing to represent its compliance with anti-bribery laws, including the FCPA? Is the Agent cooperating with the diligence review? Are the Agent's answers responsive to the specific questions?

The Company representative should accurately and thoroughly memorialize the due diligence steps taken in memoranda to be included in the contract file, and a copy submitted to the General Counsel. If the representative uncovers any inconsistencies during the course of his due diligence review or if he has concerns about the Agent's services, then, before engagement, the Company representative must:

- Consult the General Counsel; and
- Obtain the written approval of the Company officer with functional responsibility for authorizing the arrangement.

#### 4. Monitoring Performance

Throughout the course of the Agent's engagement, the Company representative must monitor the Agent's performance. The Company should:

- Carefully examine each invoice the Agent submits; and
- Require a detailed accounting of services performed and payments made on the Company's behalf.

The due diligence steps set forth above may be updated on a regular basis, e.g., yearly or upon contract renewal, extension or amendment throughout the Agent's engagement to ensure compliance with applicable laws and the Company's Anti-Corruption Policy.

The General Counsel should be contacted with any questions regarding compliance with the FCPA or if any doubt exists as to the propriety of a particular engagement, payment or transaction.

To report potential violations of this Policy, the Company representative must immediately notify the General Counsel.

5. Questions About this Policy

If an employee or other Company representative has any questions relating to this Policy, please contact the General Counsel.

6. Acknowledgment

I have received and read a copy of this Policy and understand its contents. I understand that the Company expressly reserves the right to change, modify, or delete its provisions without notice.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
NAME (please print)

## **Annex A: Annotated anti-corruption term for third-party contracts**

*The following language should be included in any agreement with third-party agents:*

None of the [THIRD-PARTY AGENT] or any of its subsidiaries nor<sup>1</sup> any director, officer, agent, employee or affiliate or any other person acting on behalf of the [THIRDPARTY AGENT] or any of its subsidiaries has (i) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977 (the "FCPA"); (ii) taken any unlawful action in furtherance of an offer, payment, promise to pay, or authorization or approval of the payment or giving of money, property, gifts or anything else of value, directly or indirectly, to any "foreign official" (as such term is defined in the FCPA); (iii) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment; (iv) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; or (v) violated or is in violation of any provision of the Bribery Act 2010 of the United Kingdom<sup>2</sup>; and the [THIRD-PARTY AGENT] and its subsidiaries have instituted and maintain and will continue to maintain policies and procedures designed to promote and achieve compliance with applicable anti-corruption laws and good business practices.

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<sup>1</sup> If pressed for a "knowledge qualifier" (i.e., the counterparty wishes to say "there are no violations *that we know of*" rather than simply "there are no violations") and no other red flags or concerns have emerged regarding the third-party agent, the following language may be inserted at is point " , to the knowledge of the [THIRD-PARTY AGENT] after reasonable investigation,".

<sup>2</sup> If pressed by the third-party agent's attorneys, item (v), relating to the UK bribery act, may be deleted in non-UK jurisdictions. However, the UK Bribery Act is a more demanding standard than the FCPA, so as a general matter it is preferable to require third parties to comply with the UK Bribery Act in addition to the FCPA when possible. If (v) is deleted, note an "or" should be inserted before (iv).