

# LIGHTBRIDGE CORPORATION

## CORPORATE GOVERNANCE GUIDELINES

The Board of Directors of Lightbridge Corporation (the “Company”) believes that it is in the best interests of the Company for the Board to develop corporate governance practices to help it fulfill its responsibility to stockholders to oversee the work of management in the conduct of the Company’s business and to seek to serve the long-term interests of stockholders. The governance practices are memorialized in these guidelines to assure that the Board of Directors will have the necessary authority and practices in place to review and evaluate the Company’s business operations as needed and to make decisions that are independent of the Company’s management.

The guidelines are subject to future refinement or changes as the Board of Directors may find necessary or advisable for Company in order to achieve these objectives.

### ***Board Composition and Selection; Independent Directors***

1. Board Size. The Board of Directors believes 5 to 7 members is an appropriate size based on the Company’s present circumstances. The Board of Directors periodically evaluates whether a larger or smaller slate of directors would be preferable.

2. Selection of Board Members. All members of the Board of Directors are elected annually by the Company’s stockholders, except for Board action to fill vacancies. The Governance and Nominating Committee is responsible for recommending to the Board of Directors director candidates for nomination and election. The Governance and Nominating Committee annually reviews with the Board of Directors the applicable skills and characteristics required of Board nominees in the context of current Board composition and Company circumstances. In making its recommendations to the Board of Directors, the Governance and Nominating Committee considers, among other things, the qualifications of individual director candidates in light of the Board membership criteria described below.

The Governance and Nominating Committee will consider candidates recommended by stockholders. Stockholders wishing to suggest director candidates should submit their suggestions in writing to the attention of the Corporate Secretary of the Company, providing the candidate’s name and qualifications for service as a Board member, a document signed by the candidate indicating the candidate’s willingness to serve, if elected, and evidence of the stockholder’s ownership of Company stock.

The Board of Directors nominates director candidates for election by the stockholders and fills any Board vacancies that occur between stockholder elections pursuant to the Company’s Bylaws.

3. Board Membership Criteria. The Governance and Nominating Committee works with the Board of Directors on an annual basis to determine the appropriate characteristics, skills and experience for the Board of Directors as a whole and its individual members with the objective of having a Board of Directors with diverse backgrounds and experience in business, government, education, and public service. In evaluating the suitability of individual Board members, the Board of Directors takes into account many factors, including general understanding of marketing, finance and other disciplines relevant to the success of a publicly traded company in today’s business environment; understanding of the Company’s business and technology; the international nature of the Company’s operations, educational and professional background; and personal accomplishment. The Board of Directors evaluates each individual in the context of the Board as a whole, with the objective of recommending a group that can best perpetuate the success of the Company’s business and represent stockholder interests

through the exercise of sound judgment, using its diversity of experience. In determining whether to recommend a director for re-election, the Governance and Nominating Committee also considers the director's past attendance at meetings and participation in and contributions to the activities of the Board of Directors.

4. Board Composition – Mix of Management and Independent Directors. The Board of Directors intends that, except during periods of temporary vacancies, a majority of its directors will be independent. In determining the independence of a director, the Board of Directors will apply the definition of "independent director" in the listing standards of the Nasdaq Stock Market and applicable laws and regulations.

5. Term Limits. The Board does not believe it should limit the number of terms for which an individual may serve as a director. Directors who have served on the Board for an extended period of time are able to provide valuable insight into the operations and future of the Company based on their experience with and understanding of the Company's history, policies and objectives. The Board of Directors believes that, as an alternative to term limits, it can ensure that the Board continues to evolve and adopt new viewpoints through the evaluation and nomination process described in these guidelines.

6. Selection of CEO and Chairman; Lead Independent Director. The Board does not have a policy as to whether the chairman should be a non-management director or a member of management. Instead, the Board of Directors selects the Company's CEO and Chairman in the manner that it determines to be in the best interests of the Company's stockholders. When the chairman is a member of Company management, the Chairman of the Governance and Nominating Committee, who shall be an independent director, shall also act *ex officio* as the Lead Independent Director of the Board, with responsibility for coordinating the activities of the other non-management directors and for performing the duties specified in these guidelines and such other duties as are assigned from time to time by the Board.

7. Other Boards and Committees. Without specific approval from the Board of Directors, no director may serve on more than five public company boards (including the Company's Board) and no member of the Audit Committee may serve on more than three public company audit committees (including the Company's Audit Committee). In addition, directors who also serve as CEOs or in equivalent positions generally should not serve on more than two public company boards, including the Company's Board of Directors, in addition to their employer's board. In calculating service on a public company board or audit committee, service on a board or audit committee of a parent and its substantially owned subsidiary counts as service on a single board or audit committee. Any Audit Committee member's service on more than three public company audit committees will be subject to the Board of Directors' determination that the member is able to effectively serve on the Company's Audit Committee and the disclosure of that determination in the Company's annual proxy statement. The Governance and Nominating Committee and the Board of Directors will take into account the nature of and time involved in a director's service on other boards in evaluating the suitability of individual directors and making its recommendations to Company stockholders. Service on boards and/or committees of other organizations should be consistent with the Company's conflict of interest policies.

### ***Board Meetings; Involvement of Senior Management and Independent Advisors***

8. Board Meetings – Frequency. The Board of Directors will generally have at least five regularly scheduled meetings per year and hold additional special meetings as necessary. Each director is expected to attend both scheduled and special meetings, except if unusual circumstances make attendance impractical.

9. Board Meetings – Agenda. The Chairman of the Board of Directors, if the Chairman is a non-management director, or otherwise the Chairman of the Governance and Nominating Committee acting as Lead Independent Director and the CEO will set the agenda for each Board meeting, taking into account suggestions from other members of the Board. The agenda will be distributed in advance to each director.

10. Advance Distribution of Materials. All information relevant to the Board’s understanding of matters to be discussed at an upcoming Board meeting should be distributed in writing or electronically to all members in advance, whenever feasible and appropriate. Each director is expected to review this information in advance of the meeting to facilitate the efficient use of meeting time. In preparing this information, management should ensure that the materials distributed are as concise as possible, yet give directors sufficient information to make informed decisions. The Board recognizes that certain items to be discussed at Board meetings are of an extremely sensitive nature and that the distribution of materials on these matters prior to Board meetings may not be appropriate.

11. Access to Employees. The Board of Directors should have access to Company employees in order to ensure that directors can ask all questions and glean all information necessary to fulfill their duties. The Board may specify a protocol for making such inquiries. Management is encouraged to invite Company personnel to any Board meeting at which their presence and expertise would help the Board have a full understanding of matters being considered.

12. Access to Independent Advisors. The Board of Directors and its committees have the right at any time to retain independent outside auditors and financial, legal or other advisors, and the Company will provide appropriate funding, as determined by the Board or any committee, to compensate those independent outside auditors or advisors, as well as to cover the ordinary administrative expenses incurred by the Board of Directors and its committees in carrying out their duties.

13. Executive Sessions of Non-Management Directors. The non-management directors of the Company will meet regularly in executive session, i.e., with no management directors or management present, at least three times each fiscal year. Executive sessions of the independent directors will be called and chaired by the Chairman of the Board, if the Chairman is a non-management director, or otherwise by the Chairman of the Governance and Nominating Committee acting as Lead Independent Director. The executive session discussions may include such topics as the non-management directors determine.

### ***Communications with Stockholders***

14. Stockholder Communications to the Board. Stockholders may contact an individual director, the Board as a group or a specified Board committee or group, including the independent directors as a group, by the following means:

Postal Mail: Lightbridge Corporation  
11710 Plaza America Drive, Suite 2000  
Reston, Virginia 20190

E-mail: [ir@ltbridge.com](mailto:ir@ltbridge.com)

Each communication should specify the applicable addressee or addressees to be contacted as well as the general topic of the communication. The Company will initially receive and process communications before forwarding them to the addressee. The Company generally will not forward to the directors a stockholder communication that it determines to be primarily commercial in nature or relate to an improper or irrelevant topic, or that requests general information about the Company.

Concerns about questionable accounting or auditing matters or possible violations of the Lightbridge Corporation Code of Ethics should be reported pursuant to the procedures outlined on the Company's website.

15. Attendance at Annual Meeting. Each director is encouraged to attend the Company's annual meeting of stockholders.

### ***Performance Evaluation; Succession Planning***

16. Annual CEO Evaluation. The Chairman of the Board if the chairman is a non-management director, or otherwise the Chairman of the Governance and Nominating Committee acting as Lead Independent Director, leads the independent directors in conducting a review of the performance of the CEO at least annually and communicates the results of the review to the CEO. The independent directors establish the evaluation process and determine the specific criteria on which the performance of the CEO is evaluated.

17. Succession Planning. As part of the annual officer evaluation process, the Compensation Committee and the Executive Committee work with the CEO to plan for CEO succession, as well as to develop plans for interim succession for the CEO in the event of an unexpected occurrence. Succession planning may be reviewed more frequently by the Board as it deems warranted.

18. Board Self-Evaluation. The Governance and Nominating Committee is responsible for conducting an annual evaluation of the performance of the Board of Directors and reports its conclusions to the Board of Directors. The Governance and Nominating Committee's report should generally include an assessment of the Board's compliance with the principles set forth in these guidelines, as well as identification of areas in which the Board could improve its performance.

### ***Compensation***

19. Board Compensation Review. Generally, the Board of Directors believes that the level of director compensation should be based on time spent carrying out Board and committee responsibilities and be competitive with comparable companies. In addition, the Board of Directors believes that a significant portion of director compensation should align director interests with the long-term interests of stockholders. Company management should report to the Board of Directors on an annual basis how the Company's director compensation practices compare with those of comparable public corporations. The Board should make changes in its director compensation practices only upon the recommendation of the Governance and Nominating Committee, and following discussion and unanimous concurrence by the Board of Directors.

20. Director Stock Ownership. The Board of Directors believes that, in order to align the interests of directors and stockholders, directors should have a significant financial stake in the Company. Each director who has served on the Board of Directors for at least three years should own a minimum of 10,000 shares of common stock. The Board of Directors will evaluate whether exceptions should be made for any director on whom this requirement would impose a financial hardship.

### ***Committees***

21. Number and Type of Committees. The Board of Directors has five committees – an Audit Committee, a Compensation Committee, a Governance and Nominating Committee, a Technology Committee, and an Executive Committee. The Board may add new committees or remove existing committees as it deems advisable in the fulfillment of its primary responsibilities. Each committee will

perform its duties as assigned by the Board in compliance with the Company's Bylaws and the committee's charter. Committee duties may be described briefly as follows:

a) *Audit Committee.* The Audit Committee oversees the work of the Company's accounting and internal audit processes. The committee is directly responsible for the appointment, compensation, retention and oversight of the Company's independent auditors.

b) *Compensation Committee.* The Compensation Committee stays informed as to market levels of compensation and, based on evaluations, recommends compensation levels and systems to the Board of Directors. Compensation of the Chief Executive Officer will be determined by the Compensation Committee.

c) *Governance and Nominating Committee.* The Governance and Nominating Committee is responsible for recommending to the Board of Directors individuals to be nominated as directors. The committee evaluates new candidates and current directors, and performs other duties as described elsewhere in these guidelines.

d) *Technology Committee.* The Technology Committee provides oversight with respect to sensitive information and technologies the Company may hold from time to time.

e) *Executive Committee.* The Executive Committee is responsible for exercising the power of the Board of Directors between regular meetings of the Board and when timing is critical. The Executive Committee also will assist the Board in fulfilling its oversight responsibility with respect to management-level staff, outside services providers and third party vendors.

22. Composition of Committees; Committee Chairpersons. The Audit, Compensation, and Governance and Nominating Committees consist solely of independent directors; the Executive Committee may consist of any directors. The Technology Committee consists of citizens of the United States of America who satisfy all applicable legal requirements in connection with the duties of the Technology Committee. The Board of Directors is responsible for the appointment of committee members and committee chairpersons according to criteria that it determines to be in the best interest of the Company and its stockholders.

23. Committee Meetings and Agenda. The chairperson of each committee is responsible for developing, together with relevant Company managers, the committee's general agenda and objectives and for setting the specific agenda for committee meetings. The chairperson and committee members will determine the frequency and length of committee meetings consistent with the committee's charter.

### ***Miscellaneous***

24. Director Orientation and Continuing Education. The chairperson of the Governance and Nominating Committee and management are responsible for new-director orientation programs and for director continuing education programs to assist directors in maintaining skills necessary or appropriate for the performance of their responsibilities.

a) Orientation programs will be designed to familiarize new directors with the Company's businesses, strategies and policies and to assist new directors in developing the skills and knowledge required for their service.

b) Continuing education programs for Board members may include a combination of internally developed materials and presentations, programs presented by third parties at the Company, and financial and administrative support for attendance at qualifying university or other independent programs.

25. Review of Governance Guidelines. The Board expects to review these guidelines at least every two years as appropriate.

*As revised by the Board of Directors on August 24, 2016*