

Reg Manhas Sr. Vice President, External Affairs

November 12, 2014

Aminatou Haidar, President, Collective of Saharawi Human Rights Defenders (CODESA)

Brahim Dahane, President, Saharawi Association of Victims of Serious Human Rights Abuses committed by the Moroccan State (ASVDH)

El Mami Amar Salem, President, Committee against Torture in Western Sahara

Hamad Hammad, Vice President, Committee for the Defence of the Right to Self-Determination for the People of Western Sahara (CODAPSO)

Sultana Khaya, President, Saharawi Association for the Protection of Human Rights and Natural Resources

Sidi Ahmed Eddia, Secretary General, Confederation of Saharawi Workers (CSTS)

Lahcen Dahlil, Vice President, Committee for the Protection of the Natural Resources of Western Sahara (CSPRON)

Mohamed Lamine Elidrisi, President, Gdeim Izik Coordination Committee

Dear Concerned Stakeholders,

Thank you for your correspondence dated October 15, 2014. We do appreciate your views on Kosmos Energy's planned oil and gas exploration offshore Western Sahara, even though we appear to disagree on a number of key issues. Nonetheless, it is important that the company understand the full range of opinions on these matters and, over time, find common ground with organizations such as yours with which we share a sincere desire to provide benefits to and a better future for all the people of Western Sahara.

Please allow me to respond to your concerns and assure you that Kosmos is committed to doing business the right way.

Consultation and Self Determination

Kosmos' current activities are focused solely on offshore exploration and do not involve the removal of resources. In line with international best practice, we have conducted a voluntary social impact assessment in Western Sahara to present our offshore exploration project to local stakeholders primarily in Dakhla, as well as Layounne and Boujdour. During the field research component in September, we met with elected officials, business leaders, tribal leaders, and representatives from civil society organizations, the tourism industry, and the fishing community. Because Kosmos'

exploration well will be drilled far offshore, with a limited onshore presence, many of our meetings specifically targeted coastal businesses and organizations related to tourism and fishing. These meetings included mostly Saharawis.

In our meetings with stakeholders, we heard a number of concerns regarding economic opportunity, local employment, environmental protection, and benefits distribution in the event of a discovery. To continue the dialogue, we are working on a series of follow-up meetings, as well as developing opportunities for better use of local supply chains.

Through this process and beyond, we will continue to consult stakeholders and provide them with opportunities to express their views on an ongoing basis. If our exploration well is successful, it will take several years and much more work to determine whether sufficient hydrocarbon resources exist to justify development. Part of that work will be further engagement with local populations, as well as consultation by the Government of Morocco on the wider issues facing successful hydrocarbon development.

We understand and appreciate your desire for self-determination. Kosmos supports the UN-led effort to resolve Western Sahara's political status. As a private enterprise, however, we do not have a role to play in the political process. We remain hopeful that a solution can be reached to end the nearly 40 year stalemate and we will certainly support the outcome of the negotiation.

No one benefits from maintaining a status quo that has resulted in virtually no private sector economic development for the people of the territory. We believe responsible resource development can and should proceed in parallel with the UN-led discussions on the region's future. We also firmly believe that the 2002 UN Legal Opinion lays out a clear path for resource development to coexist with the political process, as long as any such resource development is conducted for the benefit of the people of the territory.

As stated in the Kosmos-Morocco <u>Joint Declaration of Principles</u> and re-affirmed by our <u>Position Statement</u>, hydrocarbon development, if any commercially viable deposits are discovered, would proceed in accordance with international standards, including those in the UN Charter and the 2002 UN Legal Opinion on resource development in Western Sahara. Local populations will benefit efficiently, effectively and transparently.

Benefits

Having visited Western Sahara several times in the last year, I have seen for myself the economic reality in which people live. For nearly 40 years, political stalemate has stifled economic development. Western Sahara's economy is under-developed and undiversified, based on fishing, phosphate mining, and construction driven almost entirely by Government of Morocco spending. The absence of real economic opportunity — especially among young people, university graduates and women, more than 1 in 3 of whom are unemployed — is one of the main economic and social challenges that needs to be addressed.

Understanding whether oil and gas resources exist offshore can be a first step toward realizing a large economic opportunity for local populations. A commercial discovery would lead to billions of dollars of foreign investment and job creation. It would also provide a foundation upon which the people can build whatever political solution results from the UN-led process. Exploration for hydrocarbons is clearly in the interest of local inhabitants. That the Saharawi Arab Democratic Republic (SADR) has issued its own exploration licenses, contingent upon independence, illustrates this fact. Current economic conditions resulting from the status quo cannot be said to be in the interest of the people.

Having discovered the Jubilee Field, which resulted in the birth and development of Ghana's oil and gas industry, Kosmos knows the significant and positive role hydrocarbons can play in a country's economic growth. Revenue from Jubilee Field production now accounts for roughly 10% of Ghana's GDP. The discovery has led to the diversification of Ghana's industrial base, as well as billions of

dollars of foreign investment and many opportunities for local businesses to participate in the industry's supply chain. This type of positive economic development is exactly what we hope to achieve for Western Sahara.

Human Rights

In your letter, you state that people living in the territory are not allowed to organize, express their culture, or vocalize their political views. You also say that people living in the territory are subject to inhumane treatment when they take part in such activities.

At Kosmos, we respect human rights and seek to use our influence with host governments to raise issues relating to the human rights of our employees and the communities associated with our operations. From the beginning of our involvement in Western Sahara, we have communicated and will continue to communicate our expectations regarding human rights to the Government of Morocco, including regional government officials. We believe that all people have a right to express their views (including their opposition to our activities) and should be treated with the dignity and respect they deserve. When it comes to managing our own operations, Kosmos implements the Voluntary Principles on Security and Human Rights and applies relevant aspects of the United Nations Guiding Principles on Business and Human Rights. You have my commitment that Kosmos will continue to be a champion for human rights and will lead by example in Western Sahara.

We recognize the important role that civil society groups play in holding companies and governments accountable. Engagement with civil society groups like those you represent increases our understanding of the places where we work and helps us make better decisions. We hope this initial correspondence is a first step in an ongoing conversation on how we can play a constructive role in the region, all the while not stepping into the complicated and sensitive political process. Although we may not agree on certain issues, we sincerely wish to have a respectful and candid dialogue about what can be done to create a brighter future for the people of Western Sahara.

Sincerely,

Reg Manhas

To the attention of Mr Andrew G. Inglis CEO of Kosmos Energy Ltd C/O Kosmos Energy LLC 8176 Park Lane Suite 500 Dallas, Texas 75231

Open letter to Kosmos Energy Ltd by the Saharawi civil society groups from occupied Western Sahara

Dear Mr Inglis,

We, the undersigned, are Saharawi organisations from the occupied territory of Western Sahara. We wish to make our position known on Kosmos Energy's presence and activities in our country that is currently under Moroccan occupation. We urge Kosmos and your partner Cairn Energy to withdraw your plans to drill for oil in our territorial waters.

Since Kosmos or Cairn do not seek our opinion on its plans in our homeland, but rather chose to take the word of the Moroccan occupying regime and consult only with groups and individuals appointed by that government, we see no other alternative than to send you this letter. None of the undersigned have ever been approached, directly or indirectly, by Kosmos, Cairn or the Moroccan government to ask whether the oil exploration is in line with our people's wishes. We represent basically all groups that support the Saharawi right to self-determination inside the territory under Moroccan control.

We are the people of Western Sahara. Since 1975, we suffer the consequences of Morocco's invasion and occupation of a big part of our country. Part of our people had to flee during the war. They still live in refugee camps in the Algerian desert, surviving on declining humanitarian aid and suffering malnutrition and poor living conditions. Those that stayed behind are now forced to face oppression and gross human rights violations. We, the Saharawi people living in the territory where you seek to exploit oil, are not allowed to organise, we are not allowed to express our culture, we are not allowed to vocalise our political views – it will only result in inhumane treatment; kidnapping, beatings, rape, torture, arbitrary detention, unfair trials resulting in unfounded prison sentences, etc.

Some of us have protested against the activities of your company, and of companies like yours. Instead of being heard, we were beaten, arrested and put in jail. Some of our colleagues are serving a lifetime sentence for speaking out against the illegal exploitation of our land and waters by companies like yours in collaboration with the regime that oppresses us.

Precisely by siding with the Moroccan government, driven by your own economic interests, you are destroying our future. We have a right to self-determination, as stated by the International Court of

Justice, repeated over and over by the United Nations and recognised by the entire international community. We have the right to choose the political future of our country. It is our decision – not yours, not the Moroccan government's. Only after we have made our decision known, will it be clear to you with whom you should do business. Not before.

We do not want Kosmos Energy or Cairn Energy or any other company to drill for oil in our country before we have had the chance to exercise our right to self-determination. We ask for your support for that right. You have a unique chance to create peace; by refraining from drilling until the voice of the Saharawi people has been heard. But if you decide to go ahead, without respect for our rights, you will only aggravate an already horrific situation. We, who have suffered the Moroccan repression for decades, are afraid that the future human rights situation will be even more intense should you find oil.

We do not care for the social projects you promise; the schools or the English courses. We want to live in a country that is ruled by a government of our choice, with respect for our human rights and culture.

Your activities are only to the benefit of the people that are undermining our rights; the king of Morocco, the Moroccan government in Rabat and the Moroccan settlers in our homeland. Not to our benefit – rather to the contrary; they take away all that is dear to us: our rights, our future, our voice. For the sake of peace, for the sake of our children, we ask you: do not drill for oil in occupied Western Sahara, until our right to self-determination has been put into practice. The future of our people depends on it.

Signed,

Aminatou Haidar, President of the Collective of Saharawi Human Rights Defenders (CODESA)

Brahim Dahane, President of the Saharawi Association of Victims of Serious Human Rights Abuses committed by the Moroccan State (ASVDH)

El Mami Amar Salem, President of the Committee against Torture in Western Sahara

Hamad Hammad, Vice-President of the Committee for the Defence of the Right to Self-Determination for the People of Western Sahara (CODAPSO)

Sultana Khaya, President of the Saharawi Association for the Protection of Human Rights and Natural Resources

Sidi Ahmed Eddia, Secretary-General of the Confederation of Saharawi Workers (CSTS)

Lahcen Dahlil, Vice-President of the Committee for the Protection of the Natural Resources of Western Sahara (CSPRON)

Mohamed Lamine Elidrisi, President of the Gdeim Izik Coordination Committee

Fakou Lebeihi, President of the Saharawi Committee for the Defence of Human Rights in Smara