



Reg Manhas
Sr. Vice President, External Affairs

February 15, 2017

Mr. Emhamed Khadad
Member of the Frente Polisario Leadership
Advisor to the President of the Saharawi Arab Democratic Republic

Re: *Petroleum Exploration offshore Western Sahara*

Dear Mr. Khadad,

Kosmos Energy's chairman and chief executive officer, Andy Inglis, asked that I reply to your letter dated 1 February 2017.

Kosmos Energy is not currently conducting a seismic survey offshore Western Sahara. Under the Petroleum Agreement that Kosmos and Capricorn Energy, a wholly-owned subsidiary of Cairn Energy PLC, signed with the Office National des Hydrocarbures et des Mines (ONHYM) and the Kingdom of Morocco, effective in July 2016, Kosmos and its partners will conduct exploration activities, to include seismic acquisition, offshore Cap Boujdour in the near future.

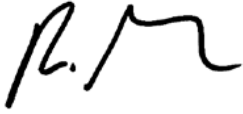
Although the Judgment of 21 December 2016 of the Court of Justice of the European Union ("CJEU Judgment") has specific relevance to the issues and parties therein, our review of the CJEU Judgment does not alter our commitment to invest and conduct activities that will provide benefits to the people of Western Sahara.

Kosmos Energy has been and will continue to be guided by the 2002 UN Legal Opinion as the legal foundation for our exploration offshore Western Sahara. We believe this opinion provides that our exploration carried out under contracts granted by the Kingdom of Morocco is consistent with international law. We find it instructive that the UN Secretary General, in several annual MINURSO Reports to the UN Security Council, has acknowledged exploration is occurring offshore the Western Sahara and has not requested a delay or cessation of such activities. Rather, the Secretary General asked the relevant actors to hold the interests of the people of the territory "paramount"; that is and has always been our aim.

We refer you to the Joint Declaration of Principles we signed with ONHYM in December of 2013. This Declaration is now attached to and made a formal part of our Petroleum Agreement covering the Boujdour Maritime area. Significantly, if our exploration is successful, we have a written commitment from the Government of Morocco to ensure any commercial development of hydrocarbons will meet international standards, as more fully set out in the Joint Declaration, which can be found here: <http://www.kosmosenergy.com/pdfs/ONHYM-Kosmos-Joint-Declaration-of-Principles-English.pdf>. We and our partners, ONHYM and Capricorn Exploration, are committed to bringing benefits and economic opportunity to the people of the territory in the right way.

As we wrote to you on March 25, 2014, Kosmos Energy firmly believes that our investments in the region, if successful, have the potential to contribute to long term benefits for all of the people of the territory, catalyzing inclusive and sustainable economic development in a transparent manner. We affirm and stand by that statement.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Manhas', with a stylized flourish at the end.

Reg Manhas

cc: Ambassador Christopher Ross
Personal Envoy of the UNSG for Western Sahara

Ambassador Kim Bolduc
UNSG Special Representative for Western Sahara and Head of MINURSO



Saharawi Arab Democratic Republic



Bir Lehou, 1st February 2017

Mr. Andrew G. Inglis
Chairman of the Board of Directors
and Chief Executive Officer
Kosmos Energy Ltd.
Suite 500
8176 Park Lane
Dallas Texas
USA 75231

Dear Mr. Inglis:

Petroleum exploration in the coastal waters of occupied Western Sahara

THE GOVERNMENT AND PEOPLE of the Saharawi Arab Democratic Republic are again privileged to extend their sincere compliments to you, the employees of Kosmos Energy, and those interested in your company.

We are aware in writing that our concerns about seabed petroleum exploration in the coastal waters of Western Sahara – expressed in letters to your company dating back to June 2006 – have gone unheeded. Nevertheless, the long march of legal and political progress favours engagement at this time.

The purpose of this letter is simple. Our government requests Kosmos Energy cease its present petroleum exploration activities in our coastal waters. As we write, the motor vessel *BGP Prospector* is conducting surveys for seabed reservoirs in the so-called Boujdour Maritime Block, a collection of license areas purportedly authorized by the petroleum agency, ONHYM, on behalf of an occupying Moroccan government. Two attending vessels are in company of the *BGP Prospector*, the *Jan Van Gent* and the *Geo Service I*. The survey work began earlier this week without notice to our government or the United Nations mission in Western Sahara.

Our letters and public statements, including that request for intervention made in January 2015 to the UN Secretary-General when the motor vessel *Atwood Achiever* was conducting drilling in our exclusive economic zone have amply detailed the ethical, business risk and legal problems inherent in a continuing – and now resumed – exploration for petroleum in a territory under armed occupation which has present a UN self-determination mission.

We scarcely need to repeat such reasoning here. But we think it is important to draw your attention to the appeal decision of the Court of Justice of the European Union in the case *Frente Polisario c. European Council*, issued 21 December 2016. That is because the Court has confirmed what the International Court of Justice concluded at the very outset of the occupation of Western Sahara in October 1975: Morocco has no basis for any right or claim to the territory. (Paragraphs 84 and following of the CJEU decision particularly refer.) Western Sahara is not a “contested” or “disputed” territory. The legal circumstances pronounced upon by the two most senior courts of the international community could not be more clear.



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The result is that an agency of the government of an occupying Morocco is unable to offer contractual rights to seabed petroleum exploration. An extending of such an offer as that detailed in Kosmos Energy's local operating entity's (Kosmos Energy Maroc Mer Profonde) contract for exploration dated 25 May 2016 (found at Exhibit 10.1 of Kosmos Energy's November 2016 United States Securities and Exchange Commission filing) is a nullity. Such proffered contractual rights could not have existed from the outset. Therefore, the work of the m.v. *BGP Prospector* cannot take place under the aegis of any arrangement promised or extended by the government of Morocco or its Office National des Hydrocarbures et des Mines, ONHYM.

This entails what are certain present and future risks for Kosmos Energy.

We note also the Court of Justice decision concluded that the consent of the people of Western Sahara would always be needed for activities such as resource development, and that such consent was properly to be obtained from accepted (and UN recognized) democratic organizations clearly acting on behalf of the Saharawi people. (Paragraphs 105 and 106 of the 2106 decision refer.) It is not an occupying Morocco which can give or otherwise confirm the requisite consent. A second purpose of this letter, therefore, is to underscore again that the Saharawi people and their government emphatically do not consent to petroleum exploration in our coastal waters.

We look forward to your speedy and meaningful response to what we have written here.

Yours sincerely,

Emhamed Khadad

Member of the Frente Polisario Leadership

Advisor to the President of the Saharawi Arab Democratic Republic

c: His Excellency Ambassador Christopher Ross,
Personal Envoy of the Secretary-General of the United Nations for Western Sahara

Her Excellency Ambassador Kim Bolduc,
Special Representative of the Secretary-General of the United Nations for Western Sahara
and Head, MINURSO