Annex 1

8 June 2004

Mr. Gert-Jan Kramer President and CEO Fugro N.V. Veurse Achterweg 10 2264 SG Leidschendam Netherlands Fax: +31 70 320 2703

Dear Mr. Kramer,

Seismic Acquisition in Western Sahara (SADR)

The Government of the Saharawi Arab Democratic Republic (SADR) notes the commencement of seismic acquisition by Fugro N.V. in its territory.

As you must be aware, Western Sahara is a territory that has been illegally and forcibly annexed by Morocco. Both the international community and the United Nations have deplored this aggressive action, and the International Court of Justice has ruled that Morocco has no legal basis for claiming sovereignty over the area. On this basis Western Sahara is formally classified by the United Nations as a 'Non self-governing territory', which means that it is a state in which the process of decolonisation, to include a referendum on self-determination by the indigenous people, has yet not been fully completed. Following protracted military conflict between the occupying Moroccan Army and Polisario forces, the United Nations has since 1991 been mediating between the Saharawi people and occupying Moroccan regime in order to bring about a peaceful and democratic conclusion to this significant dispute.

The UN Secretary General Kofi Annan and his personal Envoy for Western Sahara, Mr. James Baker, presented to the Security Council in early 2003, a compromise solution called "Peace Plan for the self-determination of the people Western Sahara", contained in report S/2003/565 of 23rd May 2003.

This Plan establishes a transition period of 5 years, at the end of which the United Nations would hold a self-determination referendum so as to allow the Saharawi people to freely choose their destiny.

The Security Council reaffirmed its support to the Peace Plan in its Resolution 1541 (2004) of 29 April 2004, as it stated that the Council "reaffirms its support for the Peace Plan for Self-determination of the People of Western Sahara as an optimum political solution on the basis of agreement between the two parties."

The Polisario Front responded favourably to the call of the Security Council, by accepting the Peace Plan. This gesture was motivated by the sincere desire to give a new chance to peace and to offer a concrete possibility for stability and harmony in the Maghreb region. Morocco, on the other hand declared its rejection to the latest Peace Plan.

Morocco has not only obstructed the UN peace process and violated the UN resolutions and the agreements it signed with Polisario Front but has also continuously abused human rights in the occupied Territories of Western Sahara.

The award of Reconnaissance Licenses over the territorial waters of Western Sahara to both Kerr McGee and TotalFinaElf by ONAREP has been condemned by the SADR as an overtly provocative act by Morocco designed to escalate political tension in the region. This action is a clear affront to the indigenous Saharawi population, who view the actions of these companies to be reprehensible.

The Under-Secretary-General of Legal Affairs, Mr Hans Correll, issued a legal opinion to the Security Council on the matter on 29 January 2002, in which he reaffirmed that Morocco has no sovereignty over Western Sahara. Mr Correll stated that if exploration and exploitation of the oil resources of the Territory "were to proceed in disregard of the interests and wishes of the people of Western Sahara, they would be in violation of the international law principles applicable to mineral resource activities in Non-Self-Governing Territories".

Fugro N.V. must be aware that a UN Peacekeeping force (MINURSO) is currently deployed in Western Sahara as part of the UN Settlement Plan, which aims to resolve the Western Sahara conflict. The presence of a peacekeeping force is a clear indication of the political sensitivity of the area. Fugro's decision to acquire contracts awarded by the occupying Moroccan regime therefore demonstrates its political naivety and is a clear disregard for both international law and the wishes of the indigenous Saharawi population.

It is disingenuous for Fugro N.V. to attempt to hide this decision behind a commercial tendering process. You will be well aware that other seismic companies have withdrawn bids for this work once the gravity of the political situation became apparent. Western Sahara is clearly a country in conflict, in which Wessex is now involved without authorisation from the legitimate administration.

The Government of the SADR, which is a full-fledged member of the African Union and recognised by over 70 Countries world-wide, considers the activities of Fugro N.V. to be unauthorised, illegal and an insult to the Saharawi people. On this basis, we call for Fugro to either act in a responsible manner and cease its activities immediately or accept the full consequences for these actions.

Yours truly,

Mohamed Salem Ould Salek Minister of Foreign Affairs of the Saharawi Arab Democratic Republic.