

PRESS RELEASE

US, January 13, 2005

Western Sahara solidarity movement demands American company blacklisted

“The American energy company Kerr-McGee is today the only company left in the oil industry in Western Sahara after all other companies have left the occupied territory. The international solidarity movement for Western Sahara urges your share analysts to recommend your customers to divest themselves of Kerr-McGee shares in their portfolio or, if not already part of a stock portfolio, not to purchase Kerr-McGee shares. Having signed a contract with the occupying power Morocco, KMG’s activities are unethical, probably illegal, and complicate the solving of the complex political conflict in the area.”

This was stated in a letter to all screening agencies worldwide today. In a highly coordinated campaign, 14 different Western Sahara organizations worldwide are now making contact with ethical screening agencies in the same number of countries on four continents.

“Through this initiative, we feel confident that the KMG share will be removed from all funds in the world that operate with ethical guidelines through the use of screening agencies”, states Frank Ruddy, former Deputy Chairman of MINURSO, the UN mission to Western Sahara.

October 2004, Kerr-McGee prolonged their reconnaissance contract for the exploration of hydrocarbons offshore the territory that is considered by the UN as the last colony on the African continent. Shareholders have already sold off their shares in the company due to the KMG activities in Western Sahara.

It has from recently been known that Kerr-McGee has also performed a drop coring program offshore Western Sahara, most likely in disregard of international law.

“Our sister organizations worldwide are now contacting the 30 biggest screening agencies. The screening industry is rapidly gaining importance and cooperates with some of the biggest fund administrators on all continents. It is sad that KMG just cannot understand our message that their activities contribute to the plundering of the Saharawi people. Their contract furthermore pretends to give political legitimacy to the occupation, and is most probable in violation of international law. We therefore now ask their shareholders to help us to give them that message. And the most efficient way of reaching their shareholders is through the screening industry”, says Ruddy.

On behalf of institutional investors worldwide, screening agencies evaluate portfolios following criterion for socially responsible investments. Putting pressure on unethical companies through their shareholders has proved to be a highly successful means of campaigning. It was this form of pressure that led the seismic companies TGS-NOPEC and Fugro NL leave the area in 2003 and 2004. Thor Offshore Services announced in January 2005 it will not proceed with further work in Western Sahara. All have worked for KMG. After Total withdrew from Western Sahara November 2004, KMG is today the only company left in the territory.

The Saharawi government in exile has already strongly condemned Morocco’s preparation for illegal exploitation of Western Sahara’s hydrocarbons, and urged shareholders to divest. Since

Morocco signed the first reconnaissance contract with KMG in 2001, the possibilities of finding a solution to the conflict through self-determination seem to be deteriorating. Morocco is now categorically refusing the Saharawi people's right to self-determination, a solution which UN has prescribed since 1960, when the area was still a Spanish colony.

A full version of the letter to the screening companies is attached to this press release. This initiative is a joint effort from Western Sahara support organizations and activists in the US, Canada, UK, France, Switzerland, Holland, Belgium, Germany, Norway, Sweden, Italy, Spain, Japan and Australia. The organizations are members of the network called the International Coalition for the Protection of the Natural Resources in Western Sahara.

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