

**Delek Drilling – Limited Partnership**  
**(the “Partnership”)**

July 30, 2019

Israel Securities Authority  
22 Kanfei Nesharim St.  
Jerusalem

Tel Aviv Stock Exchange Ltd.  
2 Ahuzat Bayit St.  
Tel Aviv

Dear Sir/Madam,

**Re: Engagement in agreements for receipt of engineering services and performance of detailed engineering planning for the construction of a Floating Liquefied Natural Gas (FLNG) facility based on natural gas from the Leviathan project**

Further to Sections 7.4.5(c), 7.14.2(c) and 7.29.2(c) of the Partnership’s periodic report as of December 31, 2018, as released on March 24, 2019 (Ref. no. 2019-01-023982), regarding examination of various alternatives for increasing the volume of production from the Leviathan reservoir (beyond Phase 1A) which will allow, *inter alia*, the supply of additional quantities of natural gas for export as liquefied natural gas (LNG) via a dedicated floating liquefied natural gas facility (FLNG), and regarding examination of the possibility of construction of an FLNG facility, the Partnership respectfully announces as follows:

On July 29, 2019 the Leviathan partners entered into two separate interim agreements with FLNG service and technology providers, as detailed hereunder:

- An agreement with Golar LNG Limited, for the purpose of performance of an assessment of the compatibility of the generic FEED (Front End Engineering and Design) carried out by them to the construction of an FLNG facility for the Leviathan project in the EEZ of Israel (the “**Facility**”), and for detailed engineering planning of the Facility.

Golar is a public company that is traded on Nasdaq, which specializes in the entire value chain of LNG, including liquefaction, transportation and regasification of the gas. Golar is the operator and owner of an active FLNG facility in Cameroon, as well as of a fleet of vessels for transportation and regasification of LNG.

- An agreement with Exmar NV for the purpose of performance of dedicated FEED for the Leviathan project and detailed engineering planning for the construction of the Facility.

Exmar is a public company traded on Euronext in Belgium, which specializes in the entire value chain of LNG, including liquefaction, transportation and regasification of the gas, in addition to transportation of liquefied petroleum gas (LPG).

Exmar is the operator and owner of an active FLNG facility in Argentina, and acts, *inter alia*, as the operator of the regasification vessel west of the shores of Hadera.

In this context, the Leviathan partners will negotiate with the two providers for the commercial terms and conditions for the construction of the Facility, with an estimated capacity between 2.5 and 5 million tons of LNG per year (approx. 3.5-7 BCM), and operation thereof, including for promotion of receipt of the necessary regulatory approvals. Insofar as it is found that construction of the Facility is the preferred alternative for advancing future development stages of the Leviathan project, the Leviathan partners will engage with one of the providers in a long-term agreement (the “**Agreement**”) for the charter of the Facility to be built, financed, operated and maintained thereby.

**Caution concerning forward-looking information** – The information specified above with respect to the possibility of and the forecast for the signing of the Agreement as aforesaid, constitutes forward-looking information, within the meaning thereof in Section 32A of the Securities Law, 5728-1968, the materialization of which, in whole or in part, in the said manner or in any other manner is uncertain, and which may materialize in a manner that is materially different to that described above, and specifically there is no certainty that the parties will reach an agreement on the terms and conditions of the Agreement.

**The partners in the Leviathan project and their holding rates are as follows:**

Noble Energy Mediterranean Ltd.	39.66%
Delek Drilling - Limited Partnership	45.34%
Ratio Oil Exploration (1992), Limited Partnership	15.00%

Sincerely,

**Delek Drilling Management (1993) Ltd.  
General Partner of Delek Drilling - Limited Partnership**

By Yossi Abu, CEO  
and Yossi Gvura, Deputy CEO