

Delek Drilling - Limited Partnership
(the "Partnership")

August 4, 2021

Israel Securities Authority
22 Kanfei Nesharim St.
Jerusalem

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

Dear Sir/Madam,

Re: Income Tax Regulations (Rules for the Calculation of Tax due to the Holding and Sale of Participation Units in Oil Exploration Partnerships) (Amendment), 5781-2021

Further to Section 7.21.2 of the Description of the Corporation's Business chapter of the Partnership's periodic report for 2020, as released on March 17, 2021 (Ref. No.: 2021-01-036588) (the "**Periodic Report**"), and Note 20A4 to the financial statements for 2020 which are included in the Periodic Report, regarding the publication for public comment of the draft Income Tax Regulations (Rules for the Calculation of Tax due to the Holding and Sale of Participation Units in Oil Exploration Partnerships) (Amendment), 5781-2020 (the "**Draft Regulations**"), the Partnership respectfully reports that on August 3, 2021, the Draft Regulations were approved by the Finance Committee of the Knesset (the "**Committee**")¹ in amended language (the "**Amended Language of the Regulations**").

According to the Amended Language of the Regulations, *inter alia*, from the tax year 2022 (instead of the tax year 2021 in the Draft Regulations), the Partnership will be taxed as a company (i.e., by a two-stage method).

The Partnership is studying the possible repercussions deriving from the changes in the Amended Language of the Regulations.

Sincerely,

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

By Yossi Abu, CEO
and Yossi Gvura, Deputy CEO

¹ Below is a link to the Amended Language of the Regulations, as was attached as background material for the Committee's meeting:
https://fs.knesset.gov.il/24/SecondaryLaw/24_scl_r_604702.pdf