

Delek Drilling – Limited Partnership
(the “Partnership”)

April 15, 2019

Israel Securities Authority
22 Kanfei Nesharim St.
Jerusalem

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

Dear Sir/Madam,

Re: Agreement for the Sale of the Partnership’s Interests
in the Tanin and Karish Leases - Update

Further to the provisions of Sections 7.10 and 7.27.16 of the Partnership’s periodic report as of December 31, 2018, which was released on March 24, 2019 (ref. no.: 2019-01-023982) (the “**Periodic Report**”), regarding an agreement between the Partnership and Energean Israel Limited (“**Energean**”) for the sale of all of the interests in the I/16 Tanin and I/17 Karish leases (collectively: the “**Leases**”) to Energean, in consideration for a payment which includes, *inter alia*, royalties in connection with natural gas and condensate that shall be produced from the Leases, the Partnership respectfully updates that on April 15, 2019, Energean Oil & Gas Plc. (which is, to the best of the Partnership’s knowledge, the control holder of Energean) (“**Energean Oil & Gas**”) released a notice regarding a natural gas discovery in the exploration well that was drilled in the “North Karish” prospect, which is in the area of the I/17 Karish lease (the “**Notice**”, the “**Well**” and the “**Discovery**”, respectively). According to the Notice, a preliminary analysis indicates an estimated quantity of 1 TCF – 1.5 TCF of Gas in Place¹.

It is noted that the Partnership has no information with respect to the quantity of natural gas that will be recoverable from the Well (if developed). It is further noted that a commercially recoverable discovery (if any) is expected to have a positive effect on the projected cash flow from the royalties to which the Partnership is entitled from the sale of the interests in the Leases.

It is clarified that the foregoing information regarding the Discovery and the estimated quantity of gas discovered therein, is based on public releases of Energean Oil & Gas which are not prepared in accordance with the Eleventh Schedule to the Securities Regulations (Periodic and Immediate Reports), 5730-1970, and whose veracity the Partnership is unable to independently verify.

Sincerely,

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

By Yossi Abu, CEO
and Yossi Gvura, Deputy CEO

¹ Link to the Notice of Energean Oil & Gas: <https://maya.tase.co.il/reports/details/1224643>.