

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

July 21, 2019

Israel Securities Authority  
22 Kanfei Nesharim  
Jerusalem

Tel Aviv Stock Exchange  
2 Ahuzat Bayit  
Tel Aviv

Dear Sir/Madam,

Re: **Update on Arbitration between some of the Tamar Partners and OPC Mishor Rotem Ltd.**

Further to the provisions of Section 7.28.4 of the Partnership’s Periodic Report as of December 31, 2018, as released on March 24, 2019 (Ref. no. 2019-01-023982) on the conduct of an international arbitration between Tamar Partners (other than Tamar Petroleum Ltd. and Everest Infrastructures, Limited Partnership) and OPC Mishor Rotem Ltd. (“**OPC**”) in a dispute regarding the electricity production tariff, the Partnership respectfully notifies that on July 19, 2019 the Partnership received the Arbitrator’s award, denying the arguments of the Tamar partners and whereby, *inter alia*, OPC shall recover the amount deposited thereby in escrow, plus interest.

In respect of the outcome of the arbitration, the Partnership is expected to record an expense of approx. \$9 million in its financial statements for the second quarter of 2019. The effect on the Partnership’s cash flow is expected to be negligible.

Sincerely,

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

By Yossi Abu, CEO  
and Yossi Gvura, Deputy CEO