

NewMed Energy – Limited Partnership
(the "Partnership")

September 1, 2022

To
Israel Securities Authority
Via Magna

To
Tel Aviv Stock Exchange Ltd.
Via Magna

Dear Sir/Madam,

Re: **Engagement in an agreement for the transmission of condensate from the Leviathan reservoir**

Further to the provisions of Section 9 of the update of Chapter A, included in the Partnership's quarterly report as of March 31, 2022, released on May 23, 2022 (Ref. no. 2022-01-062278), regarding the signing of an MOU in connection with the arrangement of a mechanism for the transmission of condensate from the Leviathan reservoir using the systems of PEI, the Partnership respectfully reports that on September 1, 2022, Chevron Mediterranean Limited (as operator of the Leviathan project) ("**Chevron**") and Energy Infrastructures Ltd. (PEI) (above and below: "**PEI**", and jointly with Chevron: the "**parties**"), signed a binding agreement for the transmission of condensate from the Leviathan project through an existing 6 inch pipe of PEI and its related systems (the "**Agreement**" and the "**Pipe**", respectively), whose highlights are as follows:

1. The Agreement will take effect on the date of fulfillment of the closing conditions listed therein (the "**Effective Date**"), and the transmission of the condensate through the Pipe will commence on the date of fulfillment of several further conditions, as detailed below (the "**Date of Commencement of Transmission**"). The Agreement will be effective for 20 years from the Date of Commencement of Transmission.
2. PEI shall be responsible for the planning and performance of the work for connection and preparation of the Pipe for the transmission of condensate (the "**Connection Work**"). PEI will be responsible for obtaining any and all approvals for the transmission of condensate in the Pipe and for the current operation and maintenance of the Pipe.
3. According to the Agreement, Chevron (through the Leviathan partners, according to their share in the Leviathan leases) shall bear the costs entailed by the Connection Work according to the scope and the mechanism set forth in the Agreement, in amounts to be agreed by the parties in advance, and which are not material to the Partnership.
4. The Agreement shall take effect upon fulfillment of the following closing conditions: (a) Receipt of regulatory approvals as listed in the Agreement; (b) The signing and taking effect of an agreement for the sale of the condensate; and (c) Chevron's approval of PEI's plan for implementation of the recommendations of a report prepared by an external professional consultant who checked the fitness of the Pipe to supply the transmission services contemplated in the Agreement.

5. The Date of Commencement of Transmission shall be upon completion of the Connection Work and receipt of the approvals required for transmission of condensate in the Pipe.
6. Each one of the parties may terminate the Agreement if the closing conditions are not fulfilled within 12 months from the date of signing, or if the Date of Commencement of Transmission does not occur within 12 months from the Effective Date of the Agreement.
7. During the transmission period, PEI shall make the Pipe available for Chevron's use (other than in states of emergency listed in the Agreement, during which the transmission of condensate in the Pipe shall be temporarily suspended), and shall be allocated agreed capacity in the Pipe in consideration for fixed capacity fees stated in the Agreement. In addition, PEI shall transmit the condensate in the Pipe, in consideration for the transmission fees agreed in the Agreement.
8. The Agreement includes provisions allowing for the termination thereof prior to the end of the period stated in Section 1 above, in certain cases and conditions.

As stated in Section 7.10.4(b) of the Partnership's periodic report for 2021, released by the Partnership on March 24, 2022 (Ref. no. 2022-01-033988), the information in which is included herein by reference, the condensate currently produced from the Leviathan reservoir is transmitted to ORL free of charge. Given the high quality and value of the condensate, the Partnership estimates that this Agreement, if and when closed, is expected to enable the Partnership to sell the condensate produced from the Leviathan reservoir to potential customers, for prices linked to the Brent barrel price.

Caution regarding forward-looking information – The information stated above, including the possibility for fulfillment of the closing conditions and the estimates regarding the condensate sale mechanism, constitutes "forward-looking information", within the meaning thereof in the Securities Law, 5728-1968. This information is based on the Partnership's estimates and assessments as of the report date. The fulfillment of the closing conditions of the Agreement and the performance of the Connection Work which will enable the consummation of the Agreement, are dependent on various factors which are beyond the Partnership's control.

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

The Partnership	45.34%
Chevron	39.66%
Ratio Energies – Limited Partnership	15.00%

Sincerely,
NewMed Energy Management Ltd.
General Partner of NewMed Energy – Limited Partnership
 By Yossi Abu, CEO
 And Saar Prag, VP Trade