

**NewMed Energy – Limited Partnership**  
**(the “Partnership”)**

January 19, 2023

Israel Securities Authority  
Via Magna

Tel Aviv Stock Exchange Ltd.  
Via Magna

Dear Sir/Madam,

Re: **Engagement in an Agreement for the Sale of Condensate from the Leviathan Reservoir**

Further to the periodic report of the Partnership of September 1, 2022 2021 (Ref. no.: 2022-01-112711) and the provisions of Section 9 of the update to the Description of the Partnership's Business chapter which was included in the Q3/2022 report of the Partnership, as released on November 24, 2022 (Ref. no.: 2022-01-141286) regarding an agreement for the transmission of condensate produced from the Leviathan reservoir, which was signed between Chevron, as operator of the Leviathan project, and Energy Infrastructures Ltd. ("PEI" and the "**Transmission Agreement**", as applicable), the Partnership hereby respectfully announces that on January 18, 2023, the partners of the Leviathan project, including the Partnership (the "**Sellers**") engaged with Paz Ashdod Oil Refinery Ltd. ("**PAR**") in an agreement for the sale of condensate to PAR (the "**Agreement**"), the main provisions of which are as follows:

1. According to the Agreement, the Sellers undertook to provide to PAR, condensate that is produced from the Leviathan reservoir, which will be piped through PEI's systems to Paz Ashdod Oil Refinery.
2. The Agreement stipulated, *inter alia*, provisions regarding limitations on the maximum quantities (on a daily and monthly level) of the condensate to be provided to PAR, fines in the event of a breach of the provisions of the Agreement, and other provisions as customary in agreements of such type.
3. The flow of the condensate to PAR will begin on the date of completion of the work according to the Transmission Agreement and upon adjustment of PAR pipeline (the "**Flow Commencement Date**"), and will continue for a period of 4 years. In the Partnership's assessment, the Flow Commencement Date will be during Q4/2023, subject to the fulfillment of the closing conditions of the Transmission Agreement.
4. The price to be paid to the Sellers was determined according to the price of a Brent oil barrel less a margin, in a graduated manner, as specified in the Agreement.
5. The Sellers estimate that the total amount of revenues that will accrue to the Sellers from the Agreement may amount to approx. \$200 to \$300 million (the

Partnership's part approx. \$90 to \$135 million), based on the level of Brent prices on the date hereof. It is clarified that there is no certainty regarding the Flow Commencement Date, the extent of the condensate to be produced and sold, and that the actual revenues will be derived from a gamut of factors, including from the quantities of condensate that will actually be produced and sold to PAR and from Brent prices.

**Caution concerning forward-looking information:**

The information specified above in connection with the Agreement, including with respect to the Flow Commencement Date, the scope of revenues that is expected to derive from the Agreement, constitutes forward-looking information, within the meaning thereof in the Securities Law, 5728-1968, and there is no certainty that it will be realized, in whole or in part, and it may be realized in a significantly different manner due to various factors, that are not under the Partnership's control, including an unusual delay in the completion of the work on PEI's pipeline, changes in the scope, rate and timing of condensate consumption by PAR, and the price of condensate to be determined in accordance with Brent prices.

**The rights holders in the Leviathan project, and their holding rates are as follows:**

The Partnership	45.34%
Chevron Mediterranean Limited	39.66%
Ratio Energies, Limited Partnership	39.66%

Sincerely,

**NewMed Energy Management Ltd.  
The General Partner of NewMed Energy – Limited Partnership**

By:  
Yossi Abu, CEO  
and Saar Prag, VP Trade