

NewMed Energy – Limited Partnership
(the “Partnership”)

27 August 2023

To
Israel Securities Authority
22 Kanfei Nesharim Street
Jerusalem

To
Tel Aviv Stock Exchange Ltd.
2 Ahuzat Bayit Street
Tel Aviv

Dear Sir/Madam,

Re: **Updated plan for development of the Aphrodite reservoir**

Further to Section 7.3.11 of the Partnership’s periodic report for 2022, as released on March 28, 2023 (Ref. no.: 2023-01-033096) regarding the approved development and production plan for the Aphrodite reservoir, in the area of Block 12 in the EEZ of the Republic of Cyprus (the “**Approved Plan**” and the “**Reservoir**” or the “**Aphrodite Reservoir**”, respectively), and further to the Partnership's immediate report of 31 May 2023 (Ref. no.: 2023-01-058887) regarding the submission of an updated plan for the development of the Aphrodite Reservoir to the government of Cyprus for approval (the “**Updated Plan**” and the “**Request**”), the Partnership respectfully reports that, according to a letter of reply of 25 August 2023 delivered to the project's operator, Chevron Cyprus Limited, the government of Cyprus has decided not to approve the Updated Plan, and has invited the partners in the Aphrodite Reservoir to continue the discussions on the matter in early September 2023.

According to the Updated Plan, the production of natural gas from the Aphrodite Reservoir and processing thereof would be done through the construction of a subsea pipeline and connection thereof to existing offshore and onshore infrastructure in Egypt, without the construction of a floating production and processing facility within the area of the Reservoir, which is included in the Approved Plan.

The letter of reply states several reasons for the decision of the Cypriot government not to approve the Updated Plan, including the claim that the Updated Plan is expected to increase the technical and commercial complexity of the project, and is not expected to produce the advantages put forward in the Request, as detailed in the immediate report of 31 May 2023.

The partners in the Aphrodite Reservoir, with the assistance of their outside counsel, intend to consider the implications of the said decision of the government of Cyprus, and prepare for the continued discussions on the matter with the representatives of the government of Cyprus.

The partners in the Aphrodite Reservoir and their holding rates are as follows:

Chevron Cyprus Limited	35%
BG Cyprus Limited	35%
The Partnership	30%

Sincerely,

NewMed Energy Management Ltd.

General Partner of NewMed Energy – Limited Partnership

By: Yossi Abu, CEO

and Sari Singer Kaufman, General Counsel, EVP