

NewMed Energy – Limited Partnership
(the “Partnership”)

22 November 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: **Summoning of a special general meeting of the participation unitholders**

In accordance with the Securities Regulations (Periodic and Immediate Reports), 5730-1970, the provisions of the Partnerships Ordinance [New Version], 5735-1975 (the “**Ordinance**”), which applies certain provisions of the Companies Law, 5759-1999 (the “**Companies Law**”) and the applicable regulations promulgated thereunder, and the trust agreement of 1 July 1993 that was signed between NewMed Energy Trusts Ltd. (the “**Trustee**”) and Fahn Kanne & Co., CPAs, together with Keidar Supervision & Management (the “**Supervisor**”), as amended from time to time (the “**Trust Agreement**”)¹, the Partnership respectfully announces the summoning of a special general meeting of the holders of the Partnership’s participation units that were issued by the Trustee (the “**Units**” and the “**Meeting**”, respectively), as follows:

Time and location of the Meeting:

The Meeting will be held **on Monday, 18 December 2023 at 15:00 (the “Meeting Time”)** via **video conference on Zoom**². Meeting invitation link:

<https://newmedenergy.zoom.us/j/89887656369?pwd=SE8wVGpBZXZJWWFoVkr2b1UxRkRkUT09>

1. **The Meeting’s agenda**

1.1 **Item no. 1 – Approval of participation in exploration and production actions in the area of new licenses**

As specified in the Partnership’s immediate report of 30 October 2023 (Ref. no.: 2023-01-119721), in the fourth competitive process for natural gas exploration in the EEZ of the State of Israel, the Petroleum Council, which operates under the Petroleum Law, 5712-1952 (the “**Petroleum Law**”),

¹ As released in the Partnership’s immediate report of 7 June 2020 (Ref. no.: 2020-01-058218).

² In accordance with notice of the Israel Securities Authority (ISA) staff of 25 October 2023 on “Conducting board meetings and general meetings via means of communication”, which expanded the ISA staff notice of 16 March 2020 on “Conducting board meetings and general meetings via means of communication in the period of restrictions to prevent the spread of Covid” to any time, irrespective of any period of restrictions.

recommended to the Petroleum Commissioner that the Partnership be granted, together with State Oil Company of Azerbaijan Republic (“SOCAR”) and BP Exploration Operating Company Limited (“BP”), 6 exploration licenses in zone I, in the area of blocks no. 4, 5, 6, 7, 8 and 11 (the “Licenses”).

For further details regarding the Licenses, see **Annex A** attached hereto.

Accordingly, it is proposed to approve the Partnership’s participation in oil and/or natural gas exploration and production actions in the area of the Licenses, as well as in areas adjacent thereto which shall be included therein due to boundary changes, or in any other petroleum asset in which the Partnership shall receive interests whose area shall overlap or be adjacent to the area of the Licenses (the “Area of the Licenses”).

To this end it is proposed to amend the limited partnership agreement that was signed on 1 July 1993, as amended from time to time (the “Partnership Agreement”)³, and to add, in Section 5.1 of the Partnership Agreement (“The Partnership’s objective, authorities and powers”), the Licenses to the list of the petroleum assets specified in this section, in a manner which will allow the Partnership to participate in oil and/or natural gas exploration and production actions in the Area of the Licenses (the “Actions in the Area of the Licenses”).

It is further proposed to authorize the Partnership’s general partner, NewMed Energy Management Ltd. (the “General Partner”), in accordance with the provisions of Section 9.4 of the Partnership Agreement, to refrain from distributing profits for purposes of investment in the Actions in the Area of the Licenses, in accordance with the work plans, as shall be approved by the partners in the Licenses from time to time. It is clarified that approval of the proposed resolution by the Meeting constitutes giving consent to the Supervisor’s statements according to Section 9.3 of the Trust Agreement.

Language of the proposed resolution:

“To approve the Partnership’s participation in oil and/or natural gas exploration and production actions in the area of the licenses, as specified in the notice of meeting report, and to this end to amend Section 5.1 of the partnership agreement, such that the licenses in zone I in the area of blocks 4, 5, 6, 7, 8 and 11 shall be added to the list of the petroleum assets mentioned in this section, and to authorize the general partner, in accordance with the provisions of Section 9.4 of the partnership agreement, to refrain from distributing profits for purposes of investment in actions in the area of the licenses, in accordance with the work plans as shall be approved by the partners in the licenses from time to time”.

³ As released in the Partnership’s immediate report of 2 January 2023 (Ref. no.: 2023-01-001458).

1.2 Further details regarding Item no. 1 on the Meeting's agenda

- 1.2.1 According to the Rules of the Tel Aviv Stock Exchange Ltd. ("TASE") and the Partnership Agreement, the Partnership may participate only in oil and gas exploration actions in projects that were or shall in the future be defined in the limited partnership agreement.
- 1.2.2 For details regarding the binding work plan in the Area of the Licenses, see Annex A attached hereto. The Partnership's share (33.33%) in the cost of performance of the work plan⁴, including the Partnership's share in payment of the "signature bonus" to the Ministry of Energy, is estimated at approx. 10 million U.S. dollars ("\$").

It is clarified that the binding work plan does not include the drilling of wells. A decision regarding the drilling of wells may be made by the partners in the future, *inter alia* according to the results that are received from performance of the binding work plan.

It is further clarified that the actual costs of the actions included in the binding work plan specified in Annex A attached hereto may be different to the above estimate, depending on various unforeseeable factors, and that approval of the proposed resolution as aforesaid shall apply also in the case of a deviation from the above estimate, as well as in the event that the partners decide to perform additional actions in the Area of the Licenses.

2. Details regarding the convening of the Meeting, the required majority, legal quorum and voting

2.1 Legal quorum and adjourned meetings

No discussion shall be started at the Meeting unless legal quorum is present at the time when the Meeting proceeds thereto, and no resolution shall be adopted unless legal quorum is present when voting is held on the resolution. Legal quorum will be formed when two unitholders, who together hold Units constituting no less than 50% of the Units issued by the Trustee until the business day preceding the Meeting, are present, in person or by proxy.

If legal quorum is not present one half hour after the time scheduled for the Meeting, the Meeting will stand adjourned to the same day the following week at the same time and place (via video conference on Zoom, see link above), i.e., **Monday, 25 December 2023 at 15:00**, with no obligation to inform the unitholders thereof, or to any other day or a different time or place as the

⁴ The estimated cost of the seismic survey is based on the costs of similar surveys currently being carried out, but may change significantly.

Trustee, with the Supervisor's consent, shall determine in a notice to the unitholders (the "**Adjourned Meeting**"). If legal quorum is not present at the Adjourned Meeting within one half hour from the time scheduled, two unitholders, present in person or by proxy, shall constitute legal quorum, and the meeting may address the issues for which it was called. If the foregoing legal quorum is not present at the Adjourned Meeting, the meeting will be cancelled.

For purposes of legal quorum, two proxies of one registered unitholder which is a nominee company (i.e., a company whose sole business is the holding of securities for others), who participate in the meeting by virtue of powers of attorney granted to them, in respect of different Units, by the same registered unitholder, shall also be deemed as "two unitholders".

2.2 **The required majority**

In accordance with the provisions of the Trust Agreement, authorization of the General Partner to refrain from distributing profits, in accordance with the provisions of Section 9.4 of the Partnership Agreement, requires a special resolution approved by a majority of no less than 75% of the Units, the holders of which participated in and voted at the Meeting, in person or by proxy.

2.3 **Record date and proof of ownership**

2.3.1 The record date for determining the right to vote in accordance with Section 65FF of the Ordinance and Section 182 of the Companies Law is **Tuesday, 28 November 2023, at the close of the trading day on TASE (the "Record Date")**.

2.3.2 In accordance with the Companies Regulations (Proof of Shareholding for the purpose of Voting at a General Meeting), 5760-2000, a unitholder, to whose credit a participation unit is registered with a TASE member and which Unit is included in the Units registered in the name of the nominee company in the participation units register (an "**Unregistered Unitholder**"), shall furnish the Partnership with confirmation by the TASE member with which the Unit is registered to his credit, of his ownership of the Unit on the Record Date, in accordance with the provisions of the said regulations and Form 1 in the schedule to the said regulations.

2.3.3 In addition, an Unregistered Unitholder may instruct that his ownership confirmation be transferred to the Partnership via the electronic voting system under Title B of Chapter G2 of the Securities Law, 5728-1968 (the "**Electronic Voting System**").

2.4 **Voting**

2.4.1 **General**

For purposes of the resolution on the Meeting's agenda, a unitholder may vote in person or by proxy through a power of attorney or via an electronic voting card that is transferred to the Partnership via the Electronic Voting System.

2.4.2 **Voting via a power of attorney**

A power of attorney, or a copy thereof certified by a notary, must be deposited against confirmation of delivery at the Trustee's offices at 19 Abba Eban Blvd., Herzliya Pituach (09-9712424), by **Sunday, 17 December 2023 at 10:00**.

Where the Meeting is adjourned as stated in Section 2.1 above, and a unitholder shall have deposited a power of attorney for the vote, in the manner and according to the conditions stated above, up to 48 hours before the time of the Adjourned Meeting, the unitholder that deposited the power of attorney may use the power of attorney to vote also at the Adjourned Meeting.

2.4.3 **Voting via the electronic system**

After the Record Date, upon receipt of an I.D. no. and access code from a TASE member, and after an identification process, an Unregistered Unitholder may vote on the Electronic System. The deadline for voting on the Electronic System is up to 6 hours before the time of convening of the Meeting, i.e. **Monday, 18 December 2023 at 9:00**.

As stated in the ISA staff notice of 29 October 2023⁵, in view of the security situation affecting our country, the ISA is working to strengthen its defense systems in the internet space, and as a result, temporary difficulties may arise during this period in accessing the Electronic Voting System from overseas. It was therefore recommended to any security holder who encounters an access problem as mentioned and who is unable to solve the same himself, to make use of the possible alternative voting methods, or to contact the system's support center at 077-2238333.

⁵https://www.isa.gov.il/%D7%92%D7%95%D7%A4%D7%99%D7%9D%20%D7%9E%D7%A4%D7%95%D7%A7%D7%97%D7%99%D7%9D/Corporations/Hodaot_segal/General/Documents/update291023.pdf

2.4.4 If a unitholder votes in more than one method as aforesaid, his later vote shall be counted.

3. Changes to the agenda

After the release of this notice of meeting report, there may be changes to the agenda, including the addition of an item to the agenda, and the up-to-date agenda may be perused in the Company's reports that shall be released on the TASE website at: www.maya.tase.co.il (the "**TASE Website**") and on the distribution website of the ISA, at: www.magna.isa.gov.il (the "**Distribution Website**").

In accordance with Section 65L(b) of the Ordinance and Section 14.1(e) of the Trust Agreement, one or more unitholder, with at least half a percent (0.5%) of the total participation units in the Partnership, may request the board of directors to include an item on the general meeting's agenda by submitting a request that shall be delivered to the Partnership up to 7 days after the calling of the meeting, provided that the item is suitable to be discussed at the meeting.

Where the board of directors of the General Partner finds that an item that was requested to be included in the agenda is suitable to be discussed at the meeting, an updated agenda will be prepared which shall be released on the Distribution Website, no later than 7 days after the deadline for the delivery of the unitholder's request to include an item on the agenda, as aforesaid. It is clarified that the publication of an updated agenda shall not change the Record Date, as defined in Section 2.3.1 above.

4. Inspection of documents

The language of this notice of meeting report is available for inspection on the TASE Website and on the Distribution Website. Furthermore, the notice to the unitholders and a copy of any document pertaining to an item on the meeting's agenda are available for inspection at the offices of the Trustee on 19 Abba Eban Street, Herzliya Pituach, subject to any law, on Sundays to Thursdays, at customary working hours, after prior coordination with Adv. Sari Singer Kaufman (09-9712424), until the date of convening of the Meeting.

Sincerely,

NewMed Energy Management Ltd.
General Partner of NewMed Energy – Limited Partnership
By: Yossi Abu, CEO
Sari Singer Kaufman, General Counsel, EVP

Annex A

Details about the Petroleum Asset

1. General

- a. On 29 October 2023, the Petroleum Commissioner informed the Partnership and SOCAR and BP (collectively: the "**Partners**"), of the winning of the bid they submitted in connection with zone "I", in the fourth competitive process for natural gas exploration in the north-west area of the EEZ of the State of Israel, entitling them to receive 6 exploration licenses in blocks no. 4, 5, 6, 7, 8 and 11, located in the Mediterranean Sea, in the area of Israel's EEZ, as marked on the map attached below.
- b. Completion of the process of issuing the Licenses to the Partners, in accordance with the provisions of the Petroleum Law, the regulations and the conditions of the competitive process, requires, *inter alia*, the deposit of a guarantee in the amount of \$5 million (100%) and payment of a signature bonus to the Ministry of Energy in the sum of approx. \$5 million (100%), by 28 December 2023.
- c. Below are further details regarding the Licenses. As of the date of this notice of meeting report, the Partnership considers the Licenses to be a negligible petroleum asset relative to all of the activity of the Partnership and its assets, and therefore a limited description of the Licenses is presented below, in accordance with the disclosure format required in relation to a negligible petroleum asset. The description below is based on the assumption that the proposed resolution will be approved by the meeting and that the Licenses will be issued to the Partners, as stated in the winning notice.

2. General details

<u>General details about the petroleum asset</u>	
Name of petroleum asset:	Zone I (Blocks 4, 5, 6, 7, 8 and 11).
Location:	The north-west area of the EEZ of the State of Israel in the Mediterranean Sea.
Area:	The total area of the Licenses zone is 1,677 km ² .
Type of petroleum asset and the description of the permitted actions according to such type:	<p>The petroleum asset includes 6 Licenses, in accordance with the provisions of the Petroleum Law.</p> <p>A license grants its holder, subject to the provisions of the Petroleum Law: (1) A right to explore for petroleum in the license area; (2) A right to conduct, to the extent and under the</p>

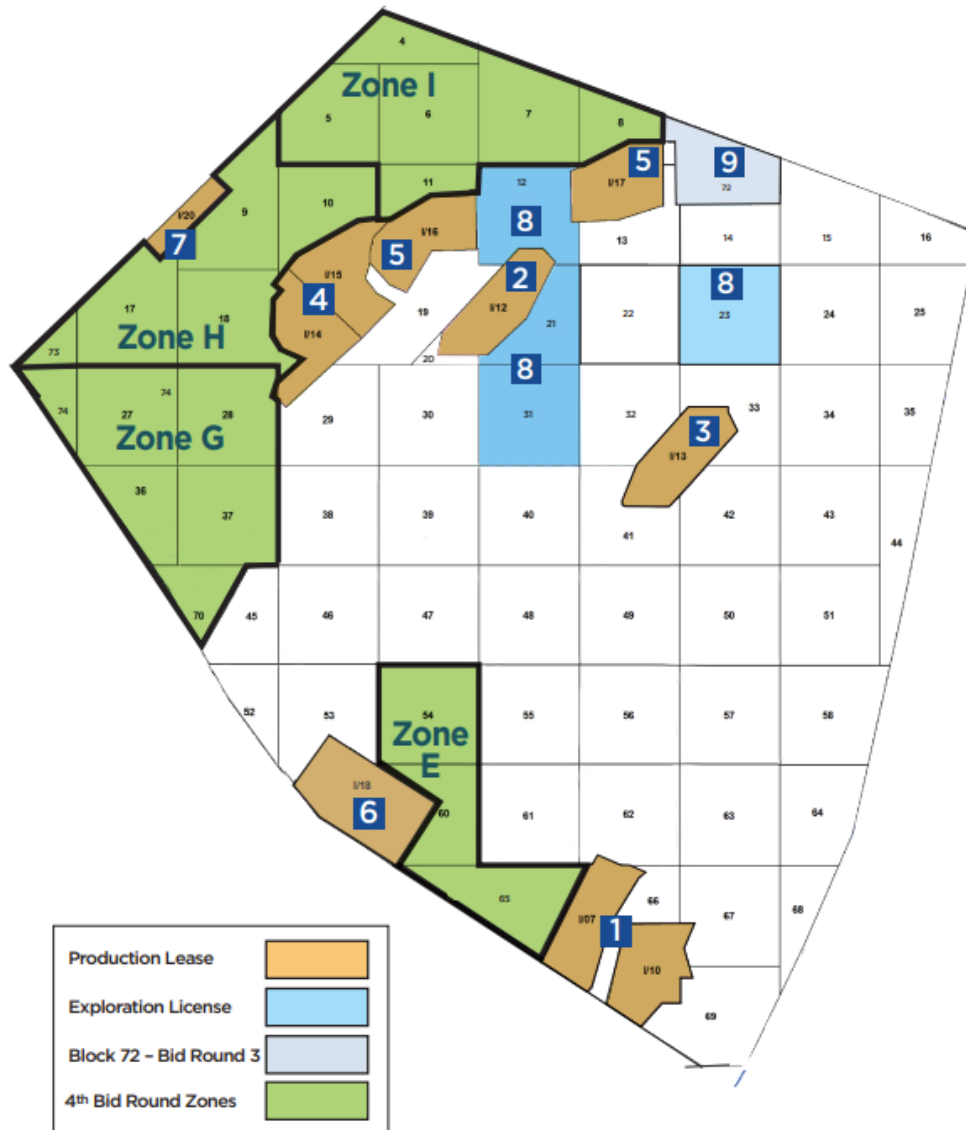
<u>General details about the petroleum asset</u>	
	conditions determined by the Director, exploration activities outside of the license area, which establish the prospects of finding petroleum within the license area; and with regards to such right, the license holder will be deemed as a preliminary permit holder; (3) A unique right to drill exploration wells and development wells in the license area and to extract petroleum therefrom; and (4) A right to receive a lease after making a discovery in the license area.
Original grant date of the petroleum asset:	Not yet granted.
Original expiration date of the petroleum asset:	3 years from the grant date.
Dates on which it was decided to extend the period of the petroleum asset:	-
Current petroleum asset expiration date:	3 years from the grant date.
Is there another possibility for extending the period of the petroleum asset; If such possibility exists – state the possible extension period:	In accordance with the provisions of the Petroleum Law, the license may be extended up to 7 years from the original grant date, with the possibility of an extension of up to two additional years in the event of a discovery.
Name of operator	SOCAR.
The names of the direct partners in the petroleum asset and their direct share in the petroleum asset, and, to the best of the Partnership's knowledge, the names of the controlling shareholder of the said partners:	<ul style="list-style-type: none"> • The Partnership – 33.33%; • SOCAR – 33.34%, to the best of the Partnership's knowledge, the control holder of SOCAR is the government of the Republic of Azerbaijan; • BP – 33.33%, to the best of the Partnership's knowledge, BP's indirect controlling shareholder is BP p.l.c., a public company whose shares are traded on the London Stock Exchange as well as on the Frankfurt and New York Stock Exchanges, and has no controlling shareholder.

3. The Partnership's share in the petroleum asset

<u>General details about the petroleum asset</u>	
For a holding in a purchased petroleum asset - state the purchase date:	A proportionate share (33.33%) of the signature bonus which will be paid to the State in the sum total of approx. \$5 million (100%).
Description of the nature and method of the Partnership's holding of the petroleum asset:	The Partnership will directly hold 33.33% of the rights in the license.
Specifying the actual share associated with the holders of the Partnership's equity interests in the revenues from the petroleum asset:	<p>The Partnership's interests in the petroleum asset are conditional on the payment of royalties to the State of Israel and to those entitled to royalties which include, <i>inter alia</i>, Delek Group Ltd., the controlling shareholder of the Partnership, as specified in Section 7.24.9 of Chapter A (Description of the Partnership's Business) in the 2022 periodic report, which was released on 28 March 2023 (Ref. no.: 2023-01-033096). Below is the actual share associated with the holders of the Partnership's equity interests in the revenues from the petroleum asset, after the deduction of royalties:</p> <ul style="list-style-type: none"> • Pre investment recovery – 27.66%. • Post investment recovery – 26.00%.
The total share of the holders of the Partnership's equity interests in the cumulative investment in the petroleum asset in the five years preceding the last day of the reporting year (whether it was recognized as an expense or as an asset in the financial statements):	-

4. Petroleum assets map - Zone I Licenses (Blocks 4, 5, 6, 7, 8, 11)

ZONES OFFERED IN THE 4th OFFSHORE BID ROUND OF ISRAEL



5. **Actual and planned work plan**

Below are details regarding the planned actions in the petroleum asset and the costs therefor (100%), as included in the bid submitted by the Partners in the competitive process. According to the terms and conditions of the process as aforesaid, these actions constitute the binding work plan for the petroleum asset.

Period	A summary description of actions actually performed for the period and/or the planned work plan	Estimated total budget per action at petroleum asset level 100% (\$ in thousands)	Amount of actual participation of the holders the equity interests of the Partnership in the budget (\$ in thousands)
2024-2026	Purchase, performance and processing of seismic surveys and additional work.	Approx. 25,000	Approx. 8,333

Caution concerning forward-looking information – The Partnership's estimate regarding the planned actions, including with respect to the estimated costs, timetables and their actual execution, constitutes "forward-looking information", within the meaning thereof in the Securities Law, 5728-1968, which is based, *inter alia*, on the Partnership's estimates regarding the components of the work plan, as agreed between the partners prior to submission of the bid in the competitive process. The actual performance of the work plan, including the timetables and costs, may materially differ from the estimates specified above, and is contingent, *inter alia*, on market conditions, regulation, many external circumstances, technical needs, technical ability and economic merit.