<u>NewMed Energy – Limited Partnership</u>

(the "**Partnership**")

17 December 2025

To	To
The Israel Securities Authority	Tel Aviv Stock Exchange Ltd.
<u>Via Magna</u>	<u>Via Magna</u>

Dear Sir/Madam,

Re: **<u>Receipt of Export Permit for the Leviathan Project</u>**

Further to the entry of the partners in the Leviathan project, including the Partnership (the "**Leaseholders**") and Blue Ocean Energy (the "**Buyer**"), on 7 August 2025, into an amendment to the agreement for export to Egypt of the natural gas produced from the Leviathan reservoir (the "**Reservoir**"), under which it was agreed to increase the total contract quantity by approx. 130 BCM (the "**Additional Quantities**" and the "**Export Agreement**", respectively)[1], the Partnership respectfully reports that on 17 December 2025, the Leaseholders obtained approval from the Petroleum Commissioner at the Ministry of Energy and Infrastructures (the "**Commissioner**") for export of the Additional Quantities under the Export Agreement to the Buyer (the "**New Approval**").

In the Partnership's estimation, the New Approval will enable compliance with the provisions of the Export Agreement, including the supply of the Additional Quantities to the Buyer. The New Approval was granted in addition to the export approval granted to the Leaseholders on 16 December 2019 (the "**Previous**

[1] For details regarding the amendment to the Export Agreement, see the Partnership's immediate report of 7 August 2025 (Ref. 2025-01-058580) and the Partnership's immediate report of 21 August 2025 (Ref. 2025-01-062484) regarding the approval of the updated Leviathan reservoir development plan by the Petroleum Commissioner at the Ministry of Energy and Infrastructure; the Partnership's immediate reports of 30 October 2025 and 30 November 2025 (Refs. 2025-01-082110 and 2025-01-094718, respectively) with respect to the extension of the date for satisfaction of the conditions precedent for entry into effect of the amendment to the Export Agreement until 31 December 2025; the immediate reports of 16 September 2025 and 26 October 2025 (Refs. 2025-01-069899 and 2025-01-079841, respectively) regarding the entry of the operator of the Leviathan project and Israel Natural Gas Lines Ltd. into an agreement for the provision of transmission services for the piping of natural gas from the Leviathan project to Egypt through the Nitzana project; Sections 7.12.3, 7.13.2 and 7.24.1 (with respect to engagements with customers, export and Government Resolution No. 476 on the Gas Framework, respectively) of Chapter A of the Partnership's periodic report for 2024, as published on 10 March 2025 (Ref. 2025-01-015633) (the "**Periodic Report**"); Section 11 of the update to Chapter A included in the Partnership's report for Q1/2025, as published on 12 May 2025 (Ref. 2025-01-032985) with respect to the Interministerial Committee for Review of the Natural Gas Sector Policy and Enhancement of Energy Security (the "**Dayan Committee**"); as well as Sections 10 and 11 of the update to Chapter A included in the Partnership's report for Q3/2025, as published on 10 November 2025 (Ref. 2025-01-085255), the contents of which are incorporated herein by reference.

Approval") and stipulates that it supersedes any contradictory provision in any other document, including the Export Agreement.

<u>A concise description of the principal conditions specified in the New Approval is presented below</u>:

1. Natural gas quantities under the New Approval may be exported as of the date on which the daily production capacity of the Leviathan reservoir amounts to a minimum of 1,350 MMCF. The New Approval shall be effective until the earlier of the following: (1) The date on which the Buyer consumes the maximum total quantity specified in the New Approval; (2) The date on which the Export Agreement comes to an end; (3) The expiration of the Leviathan lease deeds (the "**Term of Export**").

2. The New Approval and its provisions do not derogate from the power conferred on the Minister of Energy and Infrastructure pursuant to Section 33 of the Petroleum Law, 5712-1952 nor from the provisions of the Natural Gas Sector Regulations (Management of the Natural Gas Sector during Times of Emergency), 5777-2017.

3. The supply of any quantity to the Buyer shall be subject to supply by the Leaseholders of the full gas quantities nominated by the domestic-market consumers (under firm agreements or under binding spot nominations), including at the daily and annual levels.

4. The New Approval was granted in relation to a maximum total quantity to be added to the export quantities pursuant to the Previous Approval, as follows: (a) Until such time as the Reservoir's daily production capacity is 1,850 MMSCF (the "**First Expansion**") – the maximum total quantity shall be approx. 20.7 BCM; (b) Until such time as the Reservoir's daily production capacity is 2,100 MMSCF (the "**Second Expansion**") – the maximum total quantity shall be approx. 95.6 BCM; and (c) After the Second Expansion – the maximum total quantity shall be approx. 130.9 BCM (the "**Total Export Quantity**"). The quantities specified in Subsections (b) and (c) above are subject to the natural gas production capacity throughout the life of the Reservoir (2C+2P categories) being no less than 535 BCM, as shall be determined by the Commissioner based on the opinion of professional experts in the field of reserves evaluation, prepared in accordance with generally accepted industry standards. The Commissioner may, from time to time, reduce the aforesaid quantities in the event that the quantity recoverable from the Reservoir is lower, or if the Commissioner finds that the development plan is not being implemented with due diligence.

5. The New Approval specifies the maximum daily and annual quantities that may be exported, in accordance with the various expansion phases and the seasonal demand volumes in the domestic market (the

"**Maximum Quantities**"). It also provides that in the event of a gap between the total maximum daily quantities in a certain year and the maximum annual quantity determined for that year, the Leaseholders may compensate for the shortfall by export on a spot basis, subject to certain conditions as set out in the New Approval.

Beginning on 1 January 2036, the Commissioner may, by a reasoned decision, reduce the Maximum Quantities by up to 60%, for all or part of the calendar year, in view of a change between the years in the gap between demand and supply in the domestic market, but without the same affecting the Total Export Quantity. Notice shall be provided to the Leaseholders at least one year in advance of the anticipated issuance of such a decision. The aforesaid notwithstanding, in the event that such a notice is given, insofar as the Commissioner finds, in proximity to the reduction date, that there is no need for a reduction, he shall inform the Leaseholders as soon as possible. The New Approval states that, based on the Ministry of Energy's assessments as of the approval grant date, such a gap is indeed expected.

Without derogating from the foregoing, where the Commissioner finds that the aggregate supply of natural gas delivered to the domestic market from all producing reservoirs has been continuously lower, for a period exceeding 28 days, than the quantities required by the domestic market, he may, after consulting with the Director of the Natural Gas Authority, reduce the Maximum Quantities. The Commissioner's decision regarding reduction of the export quantity in these circumstances shall first be examined for the reservoir from which the supply to the domestic market was reduced.

6. In the event that, after the date of the Second Expansion, the actual production capacity of the leases increases and exceeds 2,100 MMSCF per day (the "**Increase in Production**"), the Leaseholders may export one half of the Increase in Production through spot transactions; and in relation to the second half, the Leaseholders may submit an application to the Commissioner for increase of the maximum daily quantity or for increase of the excess quantity permitted for export through spot transactions as noted above.

7. The New Approval specifies provisions that regulate the possibility of reducing the Maximum Quantities in the event that the production from the Reservoir on a certain day is lower than the full production capacity, as determined in the New Approval, the principal purpose of which is to prioritize allocation to domestic-market consumers while ensuring a minimal daily export quantity subject to certain conditions.

8. In the context of receiving the New Approval, the Leaseholders undertook to offer all consumers in the domestic market to enter into

binding agreements with them for the purchase of natural gas ("**Firm Contracts**"), for a period of between 1 and 8 years but not beyond expiration of the New Approval (or a longer period insofar as is agreed between the parties), for any quantity requested within the difference between the full production capacity at such time, net of the total of (a) the maximum daily quantity specified in the New Approval; and (b) obligations under the Leaseholders' existing Firm Contracts, except for the Export Agreement. The New Approval includes provisions to ensure the fixed daily quantity that shall be offered in the Firm Contracts, depending on the term of the agreement. In addition, the Leaseholders shall offer all consumers in the domestic market to enter into a binding contract with them for the purchase of natural gas on a spot basis for a period of at least one year ("**Spot Contracts**"), for any quantity requested within the difference between the Leviathan Reservoir's full production capacity on the gas nomination date and the aggregate daily obligations at such time under Firm Contracts they have signed, except for the obligations under the Export Agreement. The Leaseholders shall offer consumers in the domestic market with which they shall negotiate such Firm Contracts and Spot Contracts, price and linkage formula alternatives, as specified in such obligations. Of note, such alternatives include the price and linkage formula alternatives determined in Government Resolution 476 on the Gas Framework, as well as an additional linkage formula that shall be offered to independent power producers, which is based on the household electricity tariff. Notwithstanding the aforesaid, such obligation to offer price alternatives in relation to Spot Contracts shall only apply until the date of the Second Expansion or until the end of 2030 (whichever is later). If the date of the Second Expansion falls before the end of 2032, such obligation shall continue to apply solely in relation to the peak months (as defined in the New Approval), until the end of 2032.

9. The New Approval sets down provisions whereby, in addition to the foregoing, the Leaseholders may export natural gas quantities, in accordance with the New Approval together with the Previous Approval, on a spot basis, subject to all gas quantities that have been nominated by the Leaseholders' customers in the domestic market having been supplied and subject to the following limits: Until the date of the Second Expansion or until the end of 2030 (whichever is later) – without any quantitative limit; from the date of the Second Expansion or from the end of 2030 (whichever is later) – up to 2 BCM per annum over and above the annual quantity specified in the New Approval, subject to certain daily limits as specified, and also subject to the Commissioner's power to determine additional quantitative limits in certain cases, all up to the Total Export Quantity.

10. The New Approval sets down additional provisions that address, *inter alia*, the ability to receive approval for the export of gas to the Buyer in excess of the Maximum Quantities upon the occurrence of a material change in market conditions; provisions that concern cases in which the export quantity on a certain day is lower than the maximum daily quantity due to nominations received from domestic market consumers; provisions pertaining to reports to the Commissioner, disclosure on related agreements, the requirement of the Commissioner's approval for any change in the Export Agreement and in related agreements, and provisions on additional matters, including provisions regarding the Commissioner's powers in the case of a breach of the Leaseholders' obligations in the context of receipt of the New Approval.

Furthermore, concurrently with receipt of the New Approval and at the request of the Ministry of Energy, the Leaseholders have confirmed that they shall work together with the Natural Gas Authority on promotion of a platform for the secondary trading of natural gas for natural gas consumers in the Israeli market, and shall also jointly examine various options in connection with the natural gas quantities that may be directed to the trading platform once established, under spot agreements, which quantities shall be purchased in accordance with the standard contractual terms and conditions in sale agreements and shall be carried out according to international practice.

The Leaseholders intend to act to obtain the Buyer's approval for the provisions of the New Approval as well as for satisfaction of all the conditions precedent for the entry into effect of the Export Agreement for Egypt.

<u>Caution concerning forward-looking information</u>:
The information presented above in connection with the New Approval and the assessment that it will enable compliance with the provisions of the Export Agreement, including the supply of the Additional Quantities to the Buyer, constitutes forward-looking information within the definition of this term in the Securities Law, 5728-1968. As of the date of this report, and considering the conditions and restrictions specified in the New Approval, there is no certainty that this possibility will fully or partly materialize and it may be able to materialize in a substantially different manner than forecasted by the parties to the Export Agreement, due to various factors and occurrences which are not within the Partnership's control, including, among others, the need to reach understandings with the Buyer in relation to the conditions and restrictions specified in the New Approval considering the fact that, in the event of discrepancy, the provision of the New Approval override the provisions of the Export Agreement, taking into account the powers conferred on the Commissioner pursuant to the approval to reduce the Maximum Quantities in certain cases, and considering the prioritization of natural gas supply to domestic-market consumers in

quantities that may come at the expense of the binding export quantities under the Export Agreement, or due to the materialization of any of the other risk factors relevant to the Partnership as specified in the Partnership's Periodic Report.

<u>The Leviathan project interest holders and their holding rates are as follows:</u>

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

Sincerely,

NewMed Energy Management Ltd.
General Partner in NewMed Energy – Limited Partnership
By Yossi Abu, CEO
and Saar Pereg, VP Trade