

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

9 April 2026

To  
Israel Securities Authority  
22 Kanfei Nesharim Street  
Jerusalem  
Via Magna

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

Dear Sir/Madam,

Re: **Term Sheet for the Sale of Natural Gas from the Aphrodite Reservoir to Egypt and Agreement in Connection with a Transmission Project**

Further to Section 7.3.12 of the Partnership’s 2025 periodic report, as released on 16 March 2026 (Ref. 2026-01-022818) (the “**Periodic Report**”), the Partnership respectfully reports that on 9 April 2026, a Term Sheet was initialed for the sale of all of the natural gas quantities recoverable from the Aphrodite reservoir, which is in the area of Block 12 in Cyprus (the “**Aphrodite Reservoir**” or the “**Reservoir**”), by the holders of the interests in the Aphrodite Reservoir and the Cyprus Hydrocarbons Company (“**CHC**”) (collectively: the “**Sellers**”) with the national Egyptian gas company, the Egyptian Natural Gas Holding Company (“**EGAS**” or the “**Buyer**”) (the “**TS**”). Concurrently, a Host Government Agreement (“**HGA**”) was also initialed by the holders of the interests in the Aphrodite Reservoir and AMC (as defined below) with the Egyptian government, in connection with a project for the development of the gas transmission system offshore Egypt to EGAS (the “**Transmission Project**”), which arranges the regulatory framework for settlement of the rights and obligations for the construction, financing, operation and maintenance of the transmission infrastructures and the Transmission Project’s related facilities, all as specified below. It is clarified that the said agreements are subject to authorization for the Egyptian and Cypriot governments’ signature and the full signatures of all of the parties.

1. **TS for the sale of natural gas from the Aphrodite Reservoir**

In the TS, the parties confirmed the commercial principles and conditions that will serve as a basis for the signing of a binding agreement for the supply of natural gas from the Aphrodite Reservoir to the Buyer (the “**Binding Agreement**”) in relation to all of the gas quantities recoverable from the Reservoir. The Binding Agreement (if and insofar as signed) will be subject to several conditions precedent, as shall be agreed between the parties.

The term of the Binding Agreement shall begin from the date of fulfillment of the conditions precedent, as shall be determined in the Binding Agreement, until the earlier of: (1) the end of 15 years from the date of commencement of the commercial supply; or (2) the end of the commercial production from the Reservoir, with the Sellers being entitled to extend the term of the Binding Agreement once for an

additional 5-year term, by notice to be delivered no later than six months before the end of the term.

The supply will begin on the date of commencement of transmission of the gas from the Reservoir, and shall comprise three main periods: (1) The first period: from commencement of transmission of the gas from the Reservoir until the end of the running-in stage, and in any event no later than 365 days from the transmission commencement date; (2) The second period: at least 6 years from the date of commencement of the commercial supply (the end of the running-in stage); and (3) The third period: from the end of the second period until the end of the term of the agreement, as specified below, with the parties being entitled to agree on an extension of the Second Period according to the Reservoir's production profile.

In the first period, the Sellers will make reasonable efforts to supply the quantities required by the Buyer, and the Buyer will also make reasonable efforts to purchase the quantities required thereby; in the second period, the daily contract quantity will be 700 MMscf per day; and in the third period, the daily contract quantity will be determined by the Sellers, which shall deliver to the Buyer two-year advance notices regarding the applicable daily contract quantity for each two-year period. The Sellers shall be entitled to increase or reduce the said quantities by up to 15% by prior notice to the Buyer.

The final delivery point shall be determined at the metering station at the onshore terminal in Port Said, Egypt (the "**Final Delivery Point**"), while the offshore delivery point shall be defined as the Cyprus-Egypt maritime border crossing point (the "**Offshore Delivery Point**"). The transmission company AMC, as defined below, shall be responsible for transmission of the gas from the Offshore Delivery Point to the Final Delivery Point.

The Buyer shall take or pay for a minimum annual quantity of gas in such volume and according to such mechanism as shall be determined in the Binding Agreement. The gas price shall be linked to the Brent oil barrel price, and shall include a 'floor price' and a 'ceiling price'.

Upon the signing of the TS, it shall remain in effect until the signing of the Binding Agreement or for 12 months, whichever is earlier.

## 2. Host Government Agreement (HGA)

In the HGA, it was agreed that the parties will conduct negotiations in a period of 12 months from the date of the signing of the HGA, for the signing of additional agreements that are required in order to enable the construction of the pipeline for transmission of the gas from the Aphrodite Reservoir to EGAS (the "**Additional Agreements**"), including the Binding Agreement (as defined above), a pipeline laying and operation agreement, a transmission agreement, a land settlement agreement, connection agreements, and additional agreements required for implementation of the Transmission Project.

A final investment decision (FID) for development of the Reservoir will be required to be adopted within an additional 12 months from the date of signing of the Additional Agreements, while non-signing thereof within 12 months from the date of signing of the HGA, as well as non-adoption of a final investment decision at such time shall constitute grounds for termination of the HGA.

The HGA further provides that for purposes of implementation of the Transmission Project, a special purpose company (SPC) to be incorporated in Egypt – Aphrodite Midstream Company (“**AMC**”), shall be founded, and shall be held by the Aphrodite partners and by an entity to be appointed by the Egyptian government, with each one of the shareholders financing its share according to its pro-rata holdings (yet to be determined) and under the same conditions.

The term of the HGA shall end on the earlier of: (1) 25 years from the date of signing thereof; (2) 20 years from the date of first gas transmission from the Reservoir via the transmission system; or (3) the date of conclusion of the commercial production of gas from the Reservoir, unless the HGA is terminated prior thereto on the grounds specified in the HGA, including expiration of the Binding Agreement or the transmission agreement.

According to the provisions of the HGA, at the end of the relevant period, AMC shall be obligated to decommission the transmission pipeline or transfer it to the Egyptian government, at the discretion of the Egyptian government, on the later of: (1) expiration of the Binding Agreement; or (2) 17 years from the date of commencement of transmission of the gas from the Reservoir.

The parties are holding discussions in connection with an agreement for regulation of fiscal terms and conditions – Fiscal Regime Agreement (“**FRA**”), which, *inter alia*, shall determine fiscal arrangements relevant to the Transmission Project, which shall be subject to signing and approval by the Egyptian parliament within a period of 6 months from the date of signing of the HGA, while non-approval thereof at such time confers on the holders of the interests in the Reservoir and on AMC a right to terminate the HGA.

In the HGA, the Egyptian government confirmed its full commitment to support the Transmission Project, and undertook that the State’s authorities will work on taking all of the actions required for execution of the Transmission Project.

In the Partnership’s estimation, completion of authorization for the Egyptian and Cypriot governments’ signature and completion of all signatures on the TS and the HGA is expected in the coming weeks.

**The information specified above, including regarding the expected date for completion of the signing of the TS and the HGA, the date of commencement of the commercial supply from the Reservoir, and the information regarding the possibility of engagement in the Binding Agreement (as defined above), constitutes forward-looking information within the meaning thereof in the Securities Law, 5728-1968. This information is based on estimates**

and working assumptions of the Partnership and of the operator of the Reservoir, which there is no certainty will materialize, in whole or in part, and which may materialize in a materially different manner than the aforesaid, due to various factors, including receipt of all of the parties' required approvals, engagement in the Binding Agreement and in the Additional Agreements defined in the HGA and the taking effect of the HGA, adoption of a final investment decision (FID) by the partners, completion of the Transmission Project, the Egyptian parliament's approval of the FRA, changes in the domestic and global market conditions, including changes in the energy prices and in demand, geopolitical changes or changes in the security situation in the region, operating or technical difficulties in development of the Reservoir and in construction of the infrastructures, changes in the natural gas consumption volume or pace in the target markets, and materialization of any of the risk factors entailed by natural gas exploration, development and production activity, as specified in Section 7.30 of Chapter A of the Periodic Report. Therefore, there is no certainty that the information specified above will materialize, and it may materialize in a materially different manner than the aforesaid.

**The partners in the 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

Saar Pereg, VP Trade