



Updates Concerning Completion of the Transaction for Acquisition of Chevron North Sea Limited

Tel Aviv, August 12, 2019. Delek Group (TASE: DLEKG, US ADR: DGRLY) ("the Company") announces further to the Company's Immediate Report dated May 30, 2019 (ref. no. 2019-01-053338) concerning Ithaca Energy (UK) Limited, an indirectly wholly owned (100%) subsidiary of the Company ("Ithaca") entering into a contract for the acquisition of the shares of Chevron North Sea Limited ("CNSL") ("the Purchase Agreement"), the Company provides an update as follows:

1. The Company is conducting negotiations with potential investors including investment funds, international trading companies and international financial institutions to make an equity investment in return for the allocation of senior shares in the parent company of Ithaca Energy Limited, for consideration of up to USD 300 million.
In addition, the Company and Ithaca are holding discussions with international trading companies to sign marketing agreements for oil and gas for a three year period. As part of this an advance payment of up to USD 150 million will be made on account of future sales that will be used to fund the working capital.
2. On August 8, 2019 the subsidiary of Ithaca received approval from the UK Oil and Gas Authority ("OGA") to transfer control in CNSL to Ithaca. The approval is as of this date and subject to fulfillment of all the licensing conditions (it should be noted in this connection that they have additional regulatory approvals required for fulfillment of the terms to hold the licenses).
It should be noted that the parties are working on completion of the additional terms required for completion of the transaction and the accompanying arrangements. In the Company's opinion, based on the provisions of the purchase agreement, the forecast, as of this date, for completion of the transaction is during Q4 2019, subject to completion of the contingent terms and accompanying arrangements. Concerning the principal contingent terms, see section 1 of the aforementioned Immediate Report dated May 30, 2019.

Warning of forward looking information - the estimates of the possibility of completing the transaction and its completion date as stated above and concerning entering into investment and marketing agreements at the terms described above and the Company's estimates in respect of financing the transaction for the acquisition of CNSL, are forward looking information in the meaning of section 32A of the Securities Law, for which there is no certainty that they will take place or might take place in a materially different manner from what is stated above, on account of various factors including non-fulfillment of all the remaining contingent terms of the transaction, non-receipt of the approvals required in law, lack of progress in the negotiations for investment agreements or signature on investment agreements at terms different from those described above.

This is a convenience translation of the original HEBREW immediate report issued to the Tel Aviv Stock Exchange by the Company on August 12, 2019.

About The Delek Group

Delek Group is an independent E&P and the pioneering visionary behind the development of the East Med. With major finds in the Levant Basin, including the Leviathan (21.4 TCF) and Tamar (11.2 TCF) reservoirs and others, Delek is leading the region's development into a major natural gas export hub. In

addition, Delek has embarked on an international expansion with a focus on high-potential opportunities in the North Sea and North America. Delek Group is one of Israel's largest and most prominent companies with a consistent track record of growth. Its shares are traded on the Tel Aviv Stock Exchange (TASE:DLEKG) and are part of the TA 35 Index.

For more information on Delek Group please visit www.delek-group.com

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