



**The Petroleum Commissioner's Approval for the Transfer of All of the Rights in the I/16 Tanin and I/17 Karish Leases to Energean**

**Tel Aviv, December 15, 2016. Delek Group (TASE: DLEKG, US ADR: DGRLY)** ("the Company") provides below an Immediate Report published by each of Delek Drilling Limited Partnership and Avner Oil Exploration Limited Partnership ("the Partnerships") concerning the approval of the Petroleum Commissioner for the transfer of all the rights in the I/16 Tanin and I/17 Karish Leases to Energean.

Further to the provisions of the Partnerships' immediate reports of August 16, 2016, regarding the signing of an agreement between the Partnerships and Energean Israel Ltd. (formerly Ocean Energean Oil and Gas Ltd.) ("Energean") for the sale of all of the rights of the Sellers and Noble Energy Mediterranean Ltd. ("Noble") in the I/16 Tanin and I/17 Karish leases (the "Leases") to Energean (the "Agreement") in consideration for the total sum of U.S. \$148.5 million (in equal shares between the Sellers), plus royalties in connection with natural gas and condensate that shall be produced from the Leases, as specified in the immediate reports of August 16, 2016, and subject to fulfillment of several conditions precedent, and primarily receipt of the approval of the Petroleum Commissioner at the Ministry of National Infrastructures, Energy and Water Resources (the "Commissioner") and receipt of the approval of meetings of the holders of the participation units of the Partnerships to approve engagement in the Agreement as aforesaid, or approval of the supervisors, insofar as shall be required under the circumstances, and to Note 3B3 to the financial statements, as included in the quarterly report of the Partnerships as of September 30, 2016 regarding receipt of the approval of the supervisors for engagement in the Agreement, we respectfully update that on December 13, 2016, the Commissioner's approval was received for the transfer of all of the rights of the Sellers and of Noble in the Leases to Energean, including approval of registration of rights to royalties for the Sellers, as specified in the immediate reports of August 16, 2016, approval of Energean as operator in the Leases, in accordance with the Petroleum Regulations (Action Principles for Offshore Oil Exploration and Production) and approval of the transfer of the permitted quota for export from the Leases at a scope of 47 BCM to the Leviathan partners, in accordance with the provisions of the Gas Framework.

Upon receipt of the approval of the supervisors and the Commissioner, as aforesaid, the main conditions precedent in the Agreement were fulfilled and the closing of the transaction contemplated in the Agreement and the subsequent registration in the Petroleum Register are expected to be performed in the coming days.

**Warning regarding forward-looking information:** the information specified above, including in relation to the possibility of closing the transaction contemplated in the Agreement and registration of the transfer of the rights in the Petroleum Register, constitutes forward-looking information, within the meaning thereof in the Securities Law, 5728-1968, which there is no certainty will materialize, in whole or in part, in the manner stated or in any other manner, and in particular there is no certainty that the transaction will be closed and that the registration in the Petroleum Register will be performed. The said information may materialize in a materially different manner due to various factors, including delays in the timetables for the closing of the transaction and for performance of the registration in the Petroleum Register, etc.

**Partners in the Leases and their working interest prior to the closing of the transaction contemplated in the Agreement are as follows:**

Noble Energy Mediterranean Ltd.	47.059%
Avner Oil Exploration - Limited Partnership	26.4705%
<u>Delek Drilling – Limited Partnership</u>	<u>26.4705%</u>
Total	100%

**If the transaction contemplated in the Agreement is closed, the working interest in the Leases will be as follows:**

Energian Israel Ltd.	100%
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**This is a convenience translation of the original HEBREW immediate report issued to the Tel Aviv Stock Exchange by the Company on December 14, 2016.**

**About The Delek Group**

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The Delek Group, Israel's dominant integrated energy company, is the pioneering leader of the natural gas exploration and production activities that are transforming the Eastern Mediterranean's Levant Basin into one of the energy industry's most promising emerging regions. Having discovered Tamar and Leviathan, two of the world's largest natural gas finds since 2000, Delek and its partners are now developing a balanced, world-class portfolio of exploration, development and production assets with total gross natural gas resources discovered since 2009 of approximately 40 TCF.

In addition, Delek Group has a number of assets in downstream energy, water desalination, and in the finance sector.

For more information on Delek Group please visit [www.delek-group.com](http://www.delek-group.com)

**Contact**

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**Investors**

**Dina Vince**

Head of Investor Relations  
Delek Group Ltd.  
Tel: +972 9 863 8444

[investor@delek-group.com](mailto:investor@delek-group.com)

**Media**

**Nilly Richman**

Head of Communications  
Delek Group Ltd.  
Tel : +972 9 863 8444

[media@delek-group.com](mailto:media@delek-group.com)