



Response to Reports of an Addendum to the Gas Supply Agreement Between the Tamar Partners and the Israel Electricity Corporation

Tel Aviv, October 5, 2020. Delek Group (TASE: DLEKG, US ADR: DGRLY) ("the Company") provides below an Immediate Report published by Delek Drilling Limited Partnership ("the Partnership") concerning reports of an addendum to the gas supply agreement between the Tamar Partners and the Israel Electricity Corporation:

In respect of immediate reports published on October 4, 2020 by the Israel Electricity Corporation ("IEC") and some of the Tamar Partners (Isramco Negev 2 Limited Partnership, Tamar Petroleum Ltd and Dor Gas Exploration Limited Partnership) concerning their signing (together with Everest Infrastructures Limited Partnership) on an addendum to the natural gas supply agreement from the Tamar field to the Israel Electricity Corporation Ltd ("Addendum to Tamar Agreement" and "Tamar Agreement", respectively)¹ for the sale of quantities above the minimum commitment amount in the Tamar Agreement and at a lower price than that set in the Tamar Agreement and in the agreement for the supply of natural gas from the Leviathan field to the IEC², the Partnership announces that the said Tamar Partners on October 4, 2020 informed the Partnership and Noble Energy Mediterranean Ltd. ("Noble") that they had contracted in an Addendum to the Tamar Agreement and that the Partnership and Noble were able to join the Addendum within 60 days from the date of its signature. The Partnership's position, based on its legal counsel, is that signature of the Addendum to the Tamar Agreement by the IEC is contrary to the agreement for the supply of natural gas from the Leviathan field to IEC and a violation thereof. Accordingly, the Partnership is assessing all the possibilities available to it and their possible impact on the sales volumes of natural gas from the Leviathan fields and on the forecast revenues from those fields.

As of the date of this report, and *inter alia* further to the announcement of the Competition Authority dated September 9, 2020 concerning the veto right on marketing decisions of natural gas from the Tamar field, it will bring its response to the Competition Authority.

¹ For details see section 7.12.4(A)(4) of the Partnership's Periodic Report to December 31, 2019 that was published on March 30, 2020 (ref. no. 2020-01-032010) ("the Periodic Report").

² For details see section 7.12.4(B) in the Periodic Report.

Partners in the Tamar Project and their percentage holdings are as follows:

Delek Drilling Limited Partnership	22.00%
Noble Energy Mediterranean Ltd.	25.00%
Isramco Negev 2 Limited Partnership	28.75%
Tamar Petroleum Ltd	16.75%
Dor Gas Exploration Limited Partnership	4.00%
Everest Infrastructure Limited Partnership	3.50%

Partners in the Leviathan Project and their percentage holdings are as follows:

Delek Drilling Limited Partnership	45.34%
Ratio Oil Exploration (1992) Limited Partnership	15.00%
Noble Energy Mediterranean Ltd.	39.66%

This is a convenience translation of the original HEBREW immediate report issued to the Tel Aviv Stock Exchange by the Company on October 5, 2020.

About the Delek Group

Delek Group is an independent E&P company with activities in the UK North Sea and the East Mediterranean. Delek Group has significant holdings in the Leviathan and Tamar natural gas reservoirs in the East Mediterranean (Israel's territorial water), with reserves and resources of more than 30 TCF and annual production capacity of more than 20 BCM. These reservoirs are a major natural gas supplier to the growing markets of Israel, Egypt and Jordan and Delek continues to lead the region's development into a major natural gas export hub. Through its wholly owned subsidiary Ithaca, Delek Group holds high-quality oil and natural gas assets in the UK North Sea totaling approximately 260 million barrels of oil equivalent (boe) and producing about 25 million boe per year. 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 (DLEKG:IT) And its ADRs are traded on the US OTC market (DGRLY:US).

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

Contact

Investors

Limor Gruber

Head of Investor Relations
Delek Group Ltd.
Tel: +972 9 8638443
Limorg@delek-group.com