



Ithaca Energy Ltd - Update and Dividend Distribution

November 4, 2020

Tel Aviv, November 4, 2020. Delek Group (TASE: DLEKG, US ADR: DGRLY) ("the Company") announces that on November 3, 2020 Ithaca Energy Ltd ("Ithaca") announced a dividend distribution of USD 100 million to the subsidiary of the Company that holds the entire share capital of Ithaca. This distribution is added to another distribution made in May 2020 of USD 20 million (see the Immediate Report dated May 20, 2020, ref. no. 2020-01-050532).

In accordance with what was stated in section 1.8.18(b) of the Company's Periodic Report as of December 31, 2019 concerning the Reserves Based Lending facility ("RBL") provided to Ithaca, Ithaca has informed the Company that it has completed the periodic redetermination process (carried out twice a year) of the utilizable RBL facility with a consortium of international banks that provide it. As of the date of this report the balance of the facility drawn down is lower than USD 700 million (as compared with the drawn down balance of USD 1,055 million as of December 31, 2019 and the total available facility of USD 1.1 billion). In the redetermination process the said dividend in the amount of USD 100 million was included, and after the distribution, the headroom as of today's date amounts to over USD 275 million. As part of the redetermination process it was determined that additional distribution in 2021 will be subject to an average price of at least USD 50 per Brent Barrel over a period of 6 months.

In accordance with the provisions of a loan agreement with a foreign bank that provided a loan to finance the acquisition of the Chevron assets to the subsidiary that holds the entire share capital of Ithaca, the balance of which as of this date is USD 137 million, this dividend will be used for partial repayment of the loan amount.

This is a convenience translation of the original HEBREW immediate report issued to the Tel Aviv Stock Exchange by the Company on November 3, 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 more than 20 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

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