



## Update on Joint Marketing Arrangement at Tamar Field

May 31, 2020

**Tel Aviv, May 31, 2020.** Delek Group (TASE: DLEKG, US ADR: DGRLY) ("the Company") provided an update regarding an Immediate Report filed by Delek Drilling Limited Partnership ("the Partnership") concerning an update of a joint marketing arrangement for the Tamar Field. The update is as follows:

Further to the Company's Immediate Report dated April 13, 2020 (ref. no. 2020-01-038328), concerning the announcement of representatives of the Ministry of Energy, the Economic Advisory Department for Legislation at the Ministry of Justice, the Ministry of Finance and the Competition Authority ("the Regulators"), in which the partners in the Tamar Field were requested to modify the arrangements between them in respect of marketing the natural gas produced from the Tamar Field to ensure that the Partnership, Noble Energy Mediterranean Ltd. and Isramco Negev 2 Limited Partnership will not have a veto on the natural gas marketing decisions from the field, the Partnership provides an update that on May 27, 2020 the partners in the Tamar Project submitted an agreed plan in principle for the joint marketing from the Tamar Field for approval of the Regulators ("the Marketing Arrangement"), which stipulates that the partners in the Tamar Field will continue with joint marketing of natural gas from the Tamar field. The Marketing Arrangement includes various arrangements and mechanisms to ensure the rights of the parties and improvement of the competitive standing of the Tamar Field in marketing natural gas to customers in the local market. These arrangements and mechanisms stipulate inter alia the manner and parameters to manage negotiations with customers in the local market in certain commercial matters applicable to price, indexing of the price and Take or Pay levels customary in the local market without the participation of partners in the field holding other productive oil assets, and also parameters and terms for contracts with customers in the local market in agreements for the sale of natural gas.

The partners in the Tamar field also updated the Regulators that they had reached understandings in principle between them and with the Leviathan Partners on the matters that had been in dispute in respect of the agreements for the sale of natural gas to the Israel Electricity Corporation Ltd ("IEC"), and that there are advanced discussions with the IEC for the implementation of these understandings.

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

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

### **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 of approximately 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 more than 270 million barrels of oil equivalent (boe) and producing about 27 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](http://www.delek-group.com)

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