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Israel Corporation Ltd.

Registrar Number: 520028010

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<u>The Securities Authority</u>	<u>The Tel Aviv Stock Exchange</u>
www.isa.gov.il	www.tase.co.il

Immediate Report

The Event: ICL – Rotem phosphogypsum water spill

Attached is an immediate report of Israel Chemicals Ltd.

The date when the event first became known to the corporation: July 4, 2017

Time: 22:30

Name of report authorized signatory and name of authorized signatory electronic signatory: Maya Alcheh-Kaplan

Position: Vice President, General Counsel and Company's Secretary

Signing Date: July 5, 2017

Name of Electronic Reporter: Maya Alcheh-Kaplan. Position: Vice President, General Counsel and Company's Secretary. Address: Aranha 23, Millennium Tower. Tel Aviv 61204. Phone – 03-6844517 Fax: 03-6844587.

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**ICL WORKING CLOSELY WITH ISRAELI ENVIRONMENTAL AUTHORITIES
TO PLAN STEPS TO REMEDY DAMAGE RESULTING FROM
ROTEM PHOSPHOGYPSUM WATER SPILL**

Tel Aviv, Israel, July 4, 2017 – ICL (NYSE & TASE:ICL), a leading global specialty minerals and specialty chemicals company, announced today that it is continuing its efforts to remedy the immediate environmental effect and damages resulting from the phosphogypsum water spill from the ICL Rotem facility on June 30, as well as to assess the environmental impact resulting from the spill. Such efforts are made in close coordination and full cooperation with Israeli governmental and regulatory bodies, including the Ministry of Environmental Protection (“MoEP”) and Israel’s Nature and National Parks Authority. ICL Rotem has pledged to take all measures necessary to rehabilitate the Ashalim riverbed. ICL is committed to environmental responsibility, and for years has worked closely with Israel’s environmental authorities to maintain nature reserves in Israel’s Negev region that are in proximity to its facilities. Phosphogypsum water is a byproduct of production processes of green phosphoric acid at the Rotem plant.

In addition, the Company stated that at a preliminary hearing at the Southern District of the MoEP held on July 3, representatives of ICL and ICL Rotem were informed that the MoEP is weighing the possibility of taking legal action, including administrative and criminal action. ICL will cooperate fully with the authorities regarding any such proceedings.

Following initial assessments by the Company and its insurance brokers, ICL believes that its overall short term direct financial exposure resulting from the spill will be relatively modest. Events such as the spill which occurred are typically covered by insurance which the Company maintains, with an insignificant deductible payment on the part of the Company.

Following the spill, the Rotem plant which produces phosphoric acid continues to operate at over 50% capacity, and it also maintains adequate inventory. The MoEP has rendered this evening an approval to ICL Rotem to activate, for a temporary period, another pond (designated as pond no 4). The approval is valid until Monday, July 10 and can be extended to a period of 6 months conditioned upon certain conditions determined by the MoEP. The approval, if granted for the next 6 months, will allow production of phosphoric acid at ICL Rotem up to full capacity. The MoEP has instructed ICL Rotem’s management to submit within the next few months a new plan for the removal of phosphogypsum for the long term. At this stage, ICL is unable to assess the costs related to the long term plan.

There is no assurance that the events will occur as described and/or as to the costs that will be associated with such events.



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About ICL

ICL is a global manufacturer of products based on specialty minerals that fulfill humanity's essential needs primarily in three markets: agriculture, food and engineered materials. ICL shares are dual listed on the New York Stock Exchange and the Tel Aviv Stock Exchange (NYSE and TASE: ICL). The company employs approximately 13,000 people worldwide, and its sales in 2016 totaled US\$5.4 billion. For more information, visit the company's website at www.icl-group.com.