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**Israel Corporation Ltd.**

Registrar Number: 520028010

**Form 121**  
**(Public)**

To:  
The Securities Authority  
www.isa.gov.il

To:  
The Tel Aviv Stock Exchange  
www.tase.co.il

Date of Transmission: 15/12/2019  
Reference: 2019-01-109194

**Immediate Report**

**Nature of Event: *ORL – Agreement with Leviathan Partners - Condensate***

Reference numbers of prior reports on the subject: \_\_\_\_\_

*Attached is an Immediate Report of Oil Refineries Ltd. — Agreement with Leviathan Partners - Condensate.*

Attached hereto Immediate Report Condensate.isa.pdf

The Company *is not* a shell company as defined in the Stock Exchange Regulations

The date when the event first became known to the corporation: *December 15, 2019* Time: 09:00

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

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

Signature date: *December 15, 2019*

Form structure updated: 03/12/2019

Securities of the corporation are listed in the Tel Aviv Stock Exchange

Short name: Israel Corporation

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Former names of reporting entity: Israel Corporation Ltd.

Name of Electronic Reporter: Maya Alcheh Kaplan. Position: Vice President, General Counsel and Company's Secretary.

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**OIL REFINERIES LTD (the "Company" or "ORL")**

December 15, 2019

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

**Re: Immediate Report - Agreement with Leviathan Partners**

The Company hereby reports that on December 15, 2019 an agreement with the partners holding the Leviathan gas field was signed (the "**Leviathan Partners**", "**Gas Field**" and the "**Agreement**", accordingly), of which, a condensate, which is a by-product of the natural gas production process, will be streamed through the pipeline of Europe Asia Pipeline Co. ("EAPC"), and will be diluted in the crude oil that is delivered by the EAPC's pipeline to the containers of Petroleum & Energy Infrastructures Ltd. ("PEI"), of which from it the crude oil is streamed to the Company's facilities. According to Leviathan Partnership's estimations provided to the Company, regarding the amount of condensate the will be streamed from the barge, the condensate is estimated to be approximately 1% out of the general mix of crude materials streamed to company's facilities. According to the Agreement, the Leviathan partners have committed that the amount of condensate that will be diluted in the crude oil that is refined by the Company, will not exceed 3% out of the Company's crude oil amount that is stored at any given time in PEI's containers.

It should be noted, that the Company's consent to enter the Agreement is based on the petition of several government agencies, including the Israeli Ministry of Energy, regarding the materiality of condensate disposal to the process of production of natural gas from the Gas Field and its streaming to energy customers in Israel - a matter of national interest, and according to such agencies' petition, and solely after the concluded provisions of the Agreement were drafted in a manner that, to Company's opinion, is satisfying the Company's interests. The Company provided its said consent solely after receiving the Israeli Ministry of Environmental Protection's general position, stating that there is no prevention to execute the Agreement, according to the parameters determined by the Ministry.

The Agreement period was determined for a period of 15 years, starting from the commencement date (entry into effect date); however, each party is entitled to terminate the Agreement by giving a 360 days prior notice to the other party. In addition, the Company is entitled to terminate the

Agreement immediately, in such events specified in the Agreement, including the events of breaching the Agreement by Leviathan Partners or in the event of regulatory changes that will prevent the continuation of the condensate streaming.

The commencement of the Agreement is subject to several preconditions, including the regulatory agencies positions' which approve that executing the agreement does not contradict the regulatory provisions applicable to the Company.

According to the estimation provided to the Company by the Leviathan Partners, regarding the amount and properties of the condensate that will be streamed from the Gas Field, and according to the Brent oil price, to the date of this report, the Company estimate that, if this Agreement will be entered into effect, the streamed condensate, if and to the extent that such condensate will be streamed, will replace the crude oil acquired by the Company including a net savings of approximately 3 million Dollars for each month of such condensate streaming. It should be noted that, in the date of this report there is no certainty regarding the commencement of the Agreement and/or regarding the amount of condensate that will be streamed, if and to extent that it will be streamed.

**Forward-looking information:** The information provided above, in connection with the Agreement with Leviathan Partners, including its commencement and the net savings amounts created for the Company by executing the Agreement, constitutes a forward-looking information, as defined in the Israeli Securities law, which is preconditioned and depends on several factors. Such information may be unrealized or may be realized in a material different manner from the above, caused by different factors, including not receiving the required approvals in order for the Agreement to enter into effect and/or different streaming amounts from the Leviathan Partners' estimations and/or not streaming any condensate at all and/or changes in the Brent price.

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OIL REFINERIES LTD

By: Mordoch Eliyahu, Adv.

Company's Secretary