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**Israel Corporation Ltd.**

Registrar Number: 520028010

**Form 121  
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To:  
The Securities Authority  
www.isa.gov.il

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

**Immediate Report**

The Event: **ICL – provides business and operational update related to the COVID-19 pandemic**

Attached is an immediate report of Israel Chemicals Ltd.

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: March 25, 2020

Time: 17:00

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: March 25, 2020

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 provides business and operational update related to the COVID-19 pandemic**

The outbreak of the COVID-19 virus in China and its worldwide spread has caused significant volatility and uncertainty in global markets. Accordingly, there has been a decline in global economic activity, and there is concern that economic activity will continue to moderate in light of the prevention measures being taken by the various governments around the world. Given these conditions, the Company has taken actions to maintain the health of its employees, suppliers, business partners and the communities in which it operates as well as to continue the proper and regular functioning of its facilities around the world to minimize the potential impact on its business. Specifically:

- Manufacturing continues at the Company's sites around the world, including the Company's Chinese operations that are working at full capacity. As of the date of this announcement, The Company's mining operations in Spain as well as the ramp project have been recently halted out of concern for the health of the Company's employees and in accordance with the instructions of the authorities. As of today, the extent of the capacity curtailment is immaterial to the Company's business.
- The Company has a significant level of available liquidity, including cash and deposits and unused credit facilities. During January 2020, the Company issued bonds in the amount of approximately \$110 million, further enhancing its financial profile. As of the end of 2019, the Company had approximately \$190 million in cash and deposits and approximately \$870 million in unused credit facilities. In order to ensure flexibility, the Company has since increased its cash balance and deposits to about \$0.5 billion out of its credit facilities.
- The downward trend in potash sales prices referenced in our 2019 Annual Report continues, inter alia due to the delay in the signing of an annual supply contract in China. However, the Company does not expect a continuous decline in demand for fertilizers, as global food demand is unchanged.
- Further to Note 19 in the Company's Annual Report for 2019 regarding the challenges facing the Rotem phosphate mining and production facilities in Israel, and in light of the current Covid-19 crisis, the Company is attempting to expedite discussions with the State of Israel to accelerate a decision regarding the Barir field, to ensure the long-term activities of these facilities.
- The recent weakening of the Israeli shekel against the dollar, as well as the decline in energy and transportation prices, to the extent these trends continue, are expected to positively impact the Company's results.

The foregoing update includes forward-looking information, which is inherently uncertain. As of the date of this report, the Company is unable to accurately assess the impact of the COVID-19 virus pandemic on the Company, due to, among other factors, the heightened volatility in the markets, the uncertainty regarding the duration of the pandemic, the extent of its impact on the markets in which the Company operates, and additional countermeasures governments and central banks may take. For more details on the potential risks identified by the Company at this time, the Company refers to the risk factors as published in the Company's Annual Report for 2019, and in particular, to the risk factors for natural disasters and epidemics, including the COVID-19 virus pandemic; The risk to global demand and supply; Availability of credit lines and risk of crisis in global financial markets; Completing CAPEX projects and the challenges the Israeli Rotem phosphate operations is facing. In connection with the COVID-19 crisis, the Company identifies the risk of discontinuing the operations of its major potash and bromine plants in Israel as a result of widespread infection, as the most significant risk to its business in the near future. To the extent that any of the risks described above or any other risk specified in the Company's risk factors will be realized, and in particular if one of such Company's major plants ceases to operate, it may have an impact, and even have a material impact on the Company's business and results.

Name of the authorized signatory on the report and name of authorized electronic reporter: Aya Landman, Adv.

Position: Global Company Secretary

Signature Date: March 25, 2020



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