

**Tamar Petroleum Ltd.**  
**(the "Company")**

August 3, 2020

Israel Securities Authority  
Via Magna

Tel Aviv Stock Exchange Ltd.  
Via Magna

Dear Sir/Madam,

Re: **Report on Updated Discounted Cash Flow Figures and Reserves in the Tamar Lease**

Further to the immediate report regarding the evaluation of the reserves in the Tamar project as of December 31, 2019, as released on January 8, 2020 (Ref. No.: 2020-01-003469) (the "**Previous Reserves Report**"), which includes the Tamar and Tamar South-West ("**Tamar SW**") reservoirs, in the area of the I/12 Tamar lease (the "**Tamar Project**" and the "**Tamar Lease**", respectively), and further to Section 1 of the Update to Chapter A (Description of the Company's Business) of the Company for Q1/2020, as released on June 25, 2020 (Ref. No.: 2020-01-066834) (the "**Q1 Report**"), regarding the spread of COVID-19 (the "**COVID-19 Pandemic**") and the impact thereof on the Company's business, the Company respectfully provides a report on updated discounted cash flow figures and reserves, as of June 30, 2020, in relation to the Company's share in the Tamar Lease, as follows<sup>1</sup>:

a. Reserves - Quantity Data

According to a report received by the Company from Netherland, Sewell & Associates, Inc. ("**NSAI**" or the "**Reserves Evaluator**"), which was prepared according to the guidelines of the SPE-PRMS, as of June 30, 2020 (the "**Reserves Report**"), the natural gas and condensate reserves in the Tamar Project (which includes, as aforesaid, the Tamar and Tamar SW reservoirs<sup>2</sup>), which are classified by NSAI as reserves on production, are as specified below<sup>3</sup>:

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<sup>1</sup> For definitions of the professional terms included in this Report, see the Glossary annex on page A-164 of the Company's 2019 periodic report, as released on March 30, 2020 (Ref. No.: 2020-01-028804) (the "**Periodic Report**"), which is included herein by reference.

<sup>2</sup> The reserves in the Tamar SW reservoir, which are specified in this Report, do not include the reserves in the part of the reservoir that overflows into the area of the 353/Eran license. For further details, see Section 7.2.8 of Chapter A of the Periodic Report, the details included in which are incorporated herein by reference.

<sup>3</sup> The amounts in the table may not add up due to rounding off differences.

Reserve Category	Total (100%) in the Petroleum Asset (Gross)						Total (Tamar and Tamar SW Reservoirs) Share Attributed to the Holders of the Equity Interests of the Company (Net) <sup>4</sup>	
	Tamar Reservoir		Tamar SW Reservoir		Total (Tamar and Tamar SW Reservoirs)		In Natural Gas BCF	In Condensate Million Barrels
	Natural Gas BCF	Condensate Million Barrels	Natural Gas BCF	Condensate Million Barrels	Natural Gas BCF	Condensate Million Barrels		
IP (Proved) Reserves	7,100.6	9.2	796.4	1.0	7,897.0	10.3	1,084.9	1.4
Probable Reserves	2,595.9	3.4	159.1	0.2	2,755.0	3.6	378.5	0.5
Total 2P (Proved+Probable) Reserves	9,696.5	12.6	955.6	1.2	10,652.0	13.8	1,463.4	1.9
Possible Reserves	2,366.0	3.1	102.2	0.1	2,468.3	3.2	339.1	0.4
Total 3P (Proved+Probable+Possible) Reserves	12,062.5	15.7	1,057.8	1.4	13,120.3	17.1	1,802.6	2.3

**Caution – possible reserves are the additional reserves which are not expected to be extracted to the same extent as the probable reserves. There is a 10% chance that the quantities that will actually be extracted will be equal to or higher than the quantity of proved reserves, plus the quantity of probable reserves plus the quantity of possible reserves.**

<sup>4</sup> The Reserves Report did not state the Company's net share but rather the Company's gross share. The Company's share in the above table is after payment of royalties to the State, to interested parties and to third parties. The said royalties are according to their full rate (i.e.: to the State – 12.5% of the Company's total revenues; to interested parties and to third parties – 9.92% of the Company's revenues in respect of the interests that the Company purchased from Delek Drilling – Limited Partnership (“**Delek Drilling**”) (i.e.: in respect of 9.25% (out of 100%) of the interests)). It is noted that the said royalties will actually be calculated according to the market value at the wellhead and therefore may in practice be lower than the said rates. For further details, see Section 7.19 of Chapter A of the Periodic Report.

- b. In the Reserves Report, NSAI stated, *inter alia*, several assumptions and reservations, including that: (a) The evaluations, as customary in reserve evaluations according to the guidelines of the SPE-PRMS, are not adjusted to reflect risks; (b) NSAI did not visit the oil field, and did not check the mechanical operation of the facilities and the wells or the condition thereof; (c) NSAI did not examine possible exposure deriving from environmental matters. However, NSAI stated that as of the date of the Reserves Report, it is not aware of any potential liability regarding environmental matters which could materially affect the quantity of the reserves estimated in the Reserves Report or the commerciality thereof, and therefore did not include in the Reserves Report costs which could derive from such liability; (d) NSAI assumed that the reservoirs are developed in accordance with the development plan, that they will be reasonably operated, that no regulation will be instituted that will affect the ability of a holder of the petroleum interests to produce the reserves, and that its forecasts regarding future production will be similar to the functioning of the reservoirs in practice.

**Caution regarding forward-looking information – NSAI’s estimates regarding quantities of the natural gas and condensate reserves in the Tamar and Tamar SW reservoirs are forward-looking information, within the meaning thereof in the Securities Law, 5728-1968 (the “Securities Law”). The above estimates are based, *inter alia*, on geological, geophysical, engineering and other information received, *inter alia*, from Noble Energy Mediterranean Ltd., the operator in the Tamar Project (the “Operator” or “Noble”), and constitute estimates and conjectures of NSAI only, in respect of which there is no certainty. The natural gas and/or condensate quantities that shall actually be produced may be different to the said estimates and conjectures, *inter alia* as a result of operating and technical conditions and/or regulatory changes and/or supply and demand conditions in the natural gas and/or condensate market and/or commercial conditions and/or geopolitical changes and/or as a result of the actual performance of the reservoirs. The said estimates and conjectures may be updated insofar as additional information shall accumulate and/or as a result of a gamut of factors relating to oil and natural gas projects, including as a result of the production data from the Tamar Project in practice.**

- c. Discounted cash flow figures

The discounted cash flow figures are based on various estimates and assumptions provided by the Company to NSAI, mainly as specified below:

- (a) Projected sales volumes: The assumptions in the cash flow with respect to the natural gas quantities that shall be sold from the Tamar Project are based on: (1) the production capacity of the Tamar Project<sup>5</sup>. It is noted that the actual production rate for each one of the reserve categories in the cash flow may be lower or higher than the production rate assumed in the cash flow. In addition, NSAI did not perform a sensitivity analysis in relation to the production rate of the wells; (2) the Company’s assumptions with respect to natural gas quantities that shall be sold to customers

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<sup>5</sup> The current maximum gas supply capacity from the Tamar Project to INGL’s transmission system is approx. 1.1 BCF per day.

under the existing agreements to which the Company is a party, including the agreement for the export of natural gas to Egypt that was signed with Dolphinus Holdings Limited (see Section 7.4.5(b) of Chapter A of the Periodic Report) (the “**Export to Egypt Agreement**” and “**Dolphinus**”, respectively)<sup>6</sup>, considering, *inter alia*, the Brent price and the possible impact thereof on the quantities sold to Egypt, and the agreement for the supply of natural gas to the Israel Electric Corporation Ltd. (collectively: the “**Existing Agreements**”); (3) additional quantities of natural gas which, in the Company’s estimation, shall be sold in the domestic market in Israel, based, *inter alia*, on negotiations for the sale of natural gas from the Tamar Project, a forecast of demand for natural gas in the domestic market in Israel, which was prepared by outside consultants (BDO Consulting Group, “**BDO**”)<sup>7</sup>, and in relation to an estimate of the expected supply from other gas sources in the domestic market<sup>8</sup>; and (4) additional quantities of natural gas which, in the Company’s estimation, will be sold in the regional markets. An assumption was made of sales to Egypt and to Jordan in a total aggregate volume of approx. 42 BCM until 2040<sup>9</sup>.

- (b) The sale prices of natural gas and condensate: The assumptions in the cash flow with respect to the prices of the natural gas that shall be sold from the Tamar Project are based, *inter alia*, on a weighted average of the natural gas prices stated in the Existing Agreements according to the price formulas set forth therein, as specified below, and on the Company’s assumptions with respect to the prices that shall be determined in future agreements, based, *inter alia*, on a forecast of the demand in the domestic market in the cash flow years, as estimated by BDO, and on the Company’s estimate of the expected supply.

The price formulas determined in the Existing Agreements include, *inter alia*, linkage to the Electricity Production Tariff<sup>10</sup>, the U.S. CPI and the Brent oil barrel price (the “**Brent Price**”).

The assumptions with respect to the linkage components are based on data and forecasts received from BDO as specified below:

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<sup>6</sup> It is noted that in June 2020, Dolphinus endorsed the Export to Egypt Agreement to an affiliate – Blue Ocean Energy. Further to Section 5 of the update to Chapter A (Description of the Company’s Business) of the Q1 Report, it is noted that in July 2020, the gas flow from the Tamar Project under the Export to Egypt Agreement began.

<sup>7</sup> The demand forecast for the domestic market for the upcoming years on which the Company relied is as follows (BCM): 2020 – approx. 12; 2021 – approx. 13.5; 2022 – approx. 15; 2023 – approx. 15.7; 2024 – approx. 16.7; 2025 – approx. 17.9. The demand forecast constitutes forward-looking information, which there is no certainty will materialize, in whole or in part, and may materialize in a materially different manner due to various factors, including the manner of the continued spread of the COVID-19 Pandemic and the impact thereof on the domestic and global economy, development of the growth in the Israeli economy, the climate conditions in Israel and the government’s policy in the fields that pertain, directly or indirectly, to growth in the demand for natural gas.

<sup>8</sup> In the discounted cash flow, it was assumed that natural gas sales to the domestic market in Israel from the Karish and Tanin project will begin at the beginning of Q4/2021.

<sup>9</sup> It was assumed that also after conclusion of the supply of gas according to the projected quantities in the existing export agreements, additional gas quantities will be sold to customers in Egypt and in Jordan.

<sup>10</sup> The Electricity Production Tariff is a tariff controlled by the Electricity Authority and reflects the costs of the electricity production segment of the IEC, including the cost of the fuels of the IEC, capital expenditures and operating expenses that are attributed to the production segment and the cost of purchase of electricity from private electricity producers.

(1) The U.S. CPI – annual growth was assumed at an average rate of approx. 2% per year;

(2) Brent barrel price – was based on an average of long-term forecasts of the following four bodies<sup>11</sup>: the World Bank, the U.S. Department of Energy, Wood Mackenzie and IHS Global Insights. Accordingly, an assumption was made in the cash flow of a price of approx. \$37 per Brent barrel in 2020, approx. \$47 per barrel in 2021, which rises to approx. \$71 per barrel in 2025, and to a fixed barrel price of approx. \$88 per barrel from 2029 until the end of the cash flow period<sup>12</sup>.

(3) Electricity Production Tariff – a forecast which is based, *inter alia*, on the ILS to dollar exchange rate and on a forecast of the cost of the fuels which is based on the gas price to the IEC.

It is noted that the prices may change, *inter alia*, due to changes in indices on which the linkages in the gas supply agreements are based as aforesaid, due to commercial and competitive considerations and due to price adjustment mechanisms as determined in the agreement with the IEC<sup>13</sup>, and in the Export to Egypt Agreement<sup>14</sup>. In the cash flow it was assumed that a maximum price reduction will be made in accordance with the agreement with the IEC at the rate of 25% on the first adjustment date (i.e. on July 1, 2021), and at the rate of 10% on the second adjustment date (i.e. on July 1, 2024). Such price reductions were incorporated into the electricity production tariff forecast. It is further noted that no price change as a result of the class certification motion filed by a consumer of the IEC against the partners in the Tamar Project, as specified in Section 7.21.1 of Chapter A of the Periodic Report, was taken into account. In the estimation of the Company's legal counsel, the chances of the certification motion being granted are lower than 50%. As aforesaid, the parties are currently at the stage of the class certification motion. Insofar as a final and non-appealable decision is issued in the context of acceptance of the said class action (i.e. after the class certification motion is granted (if granted) and a non-appealable decision is issued on the class action on the merits (if issued)) against the Tamar partners, this may have an adverse effect on the Company's business, on the prices at which the Company shall sell natural gas to its customers

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<sup>11</sup> To the best of the Company's knowledge, the frequency of updates to the Brent price forecast by the said four bodies is as follows: the World Bank – twice a year; the U.S. Department of Energy – short-term forecast – each month, long-term forecast – twice a year; Wood Mackenzie – every six months; IHS Global Insights – each month.

<sup>12</sup> It is noted that according to the terms and conditions of the Export to Egypt Agreement and in view of the assumption of a Brent Price lower than \$50 in 2020 and 2021, an assumption was made of a reduction of the contract quantities that shall be sold according to the Export to Egypt Agreement to the minimum quantity in accordance with the agreement in a year in which the average daily Brent price (as defined in the agreement) shall have fallen below \$50 per barrel, such that it shall be 50% of the annual contract quantity.

<sup>13</sup> The agreement with the IEC determines two dates on which each party may request a price adjustment, according to the mechanism determined in the agreement. For details, see Section 7.4.4(d)(7) of Chapter A of the Periodic Report.

<sup>14</sup> The Export to Egypt Agreement includes a mechanism for updating the price by up to 10% (up or down) after the fifth year and after the tenth year of the agreement given certain conditions set forth in the agreement. In the cash flow an assumption was made that a maximum price reduction at a rate of 10% would be made on the first price adjustment date and that no price adjustment would be made on the second date. The price under the Export to Egypt Agreement was adjusted to the delivery point, as determined in the Export to Egypt Agreement.

and on the discounted cash flow figures, the extent of which will be derived from the outcome of the action<sup>15</sup>.

The assumptions in the cash flow with respect to the sale prices of condensate are based on the Brent Crude prices, which are adjusted to differences in quality, transmission costs and the price at which condensate is sold in the region.

- (c) The operation costs that were taken into account are costs that were provided to NSAI by the Company based, *inter alia*, on information supplied from the Operator. These costs include direct costs at the project level, insurance costs, production well maintenance costs and estimated overhead and general and administrative expenses of the Operator, which may be directly attributed to the project and jointly constitute the operation costs of the project. The operation costs in the cash flow are not adjusted to inflation changes. NSAI confirmed that the operation costs that were provided by the Company are reasonable based, *inter alia* on knowledge that NSAI has from similar projects.
- (d) The capital expenditures that were taken into account in the cash flow are expenditures approved by the Company and an estimate of future capital expenditures not yet approved by the Company, that shall be incurred in the course of the production for the purpose of preserving and expanding the production capacity, including, *inter alia*, the drilling, development and connection of new wells, the laying of additional infrastructure and additional production equipment, expenses for engineering work, participation in the costs of construction of the natural gas transmission infrastructure, and indirect costs paid to the Operator. The capital expenditures in the cash flow are not adjusted to inflation changes. NSAI confirmed that the capital expenditures that were provided by the Company are reasonable based, *inter alia* on the development plan for the Tamar Project and on knowledge that NSAI has from similar projects.
- (e) Abandonment costs that were taken into account in the cash flow are costs that were provided to NSAI by the Company in accordance with its estimates based, *inter alia*, on an outside expert with respect to the cost of abandonment of the wells, the platform and the production facilities. These costs do not take into account the salvage value of the Tamar Lease and the facilities in the Tamar Project and are not adjusted to inflation changes.
- (f) The tax calculations took into account the corporate tax rates pursuant to law, as well as the tax implications in connection with the purchases of the interests from Delek Drilling and from Noble according to the tax rulings received from the Tax Authority in connection with such purchases of interests.
- (g) The calculation of the discounted cash flow took into account the Company's estimate whereby the effective rate of the royalties that shall be paid by the Company to the State is 11.5% of the Company's total revenues, and the effective rate of the royalties that shall be paid to related and third parties is 9.13% of the Company's

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<sup>15</sup> With respect to the liability of Delek Drilling and Noble with respect to certification of the class action in relation to amounts received thereby prior to the effective date for the purchase of the interests in the Tamar Lease that they sold to the Company, see Note 4A and 4B to the financial statements as of December 31, 2019, respectively.

revenues in respect of the interests that the Company purchased from Delek Drilling (i.e. in respect of 9.25% (out of 100%) of the interests). The actual rate of the said royalties is not final and may change. For further details on the matter, see Sections 7.18 and 7.19 of Chapter A of the Periodic Report.

- (h) The calculation of the discounted cash flow took into account the petroleum profit levy which shall apply to the Company according to the provisions of the Taxation of Profits from Natural Resources Law, 5771-2011 (in this section: the “**Law**”). It should be emphasized that the levy calculations were made, *inter alia*, according to the definitions, the formulas and the mechanisms defined in the Law, according to the best of the Company’s understanding and interpretation. However, in view of the novelty of the Law and the complexity of the calculation formulas and the various mechanisms defined therein, there is no assurance that this interpretation of the method of calculation of the levy will be the same as that which shall be adopted by the tax authorities and/or the same as the interpretation of the Law by the court. It is noted that as of the report release date, several interpretation disputes are being heard with respect to the implementation of the Law in the Tamar Project’s reports vis-à-vis the Tax Authority, in the administrative objection and appeal proceedings set forth in the Law. The issues contemplated in these disputes have not yet been addressed in Israeli case law<sup>16</sup>. The levy calculations were made according to the transitional provisions set forth in the Law with respect to a venture, the date of commencement of commercial production in respect of which occurred from the date of commencement of the Law until January 1, 2014. In addition, the calculation was made in dollars according to the venture’s choice, pursuant to Section 13(b) of the Law, and is based, *inter alia*, on the following assumptions: the venture’s payments (the production costs, the investments, the royalties, etc.) will be recognized by the tax authorities for the purpose of the levy calculation; for the purpose of calculation of the venture’s income, the actual sale prices of the natural gas shall be taken into account.
- (i) The calculation of the discounted cash flow took into account expenses and investments actually paid and expected to be paid by the Company from July 1, 2020, and income deriving from sales of natural gas and condensate that were produced and are expected to be produced from July 1, 2020.
- (j) Income from natural gas and condensate sales that shall be made in a certain year was taken into account in the same year.

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<sup>16</sup> If and insofar as the Tax Authority’s position is accepted in the said disputes, in the Company’s estimation this is not expected to have a material effect on the value of the discounted cash flow.

The discounted cash flow was updated relative to the discounted cash flow as of December 31, 2019 for the following main reasons:

1. Update of forecasts of the volume that shall be sold, mainly due to: (a) an update of the Company's estimates and the demand forecast prepared by BDO as a result of the COVID-19 Pandemic and of the expected growth in the production of electricity from renewable energies; (b) update of the Company's assumptions regarding the date of commencement of production from the Karish and Tanin project and the volume of sales from this project, and an update of the Company's assumptions regarding the forecasted volume of sales from the Leviathan reservoir to the domestic market; (c) the impact of the Brent forecast on the volume which, in the Company's estimation, will be sold according to the Export to Egypt Agreement (see Footnote 12 above).
2. Update of price forecast, mainly due to: (a) update of the Company's assumptions regarding the sale prices in future agreements; (b) update of forecast of the rate of the price reduction on the second adjustment date in the agreement with the IEC; (c) update of the Brent forecast, which was impacted, *inter alia*, by the COVID-19 crisis, including the fixing of the Brent Price from the tenth year of the cash flow period.
3. Update of the operating costs and investments made until June 30, 2020, in accordance with the actual investments. Forecasts of the future investments and operating costs were also updated in accordance with the Company's estimate, based, *inter alia*, on the production profile and on updated estimates received from the Operator, and which were updated, *inter alia*, in view of the expected streamlining and reduction of the operating budgets and postponement of part of the planned investment budgets to later years.
4. Update of the quantities of gas and condensate produced and sold during the first half of 2020, in accordance with actual figures.

In accordance with various assumptions, primarily as specified above, set forth below is the estimated discounted cash flow as of June 30, 2020, in dollars in thousands (after levy and income tax), attributed to the Company's share, from the reserves in the Tamar Project, for each one of the reserve categories specified above:



Total discounted cash flow from Proved Reserves as of June 30, 2020 (in dollars in thousands in relation to the Company’s share)																
Cash flow components																
Until	Condensate sales volume (thousands of barrels) (100% of the petroleum asset)	Sales volume (BCM) (100% of the petroleum asset)	Income	Royalties to be paid	Royalties to be received	Operation costs	Develop-ment costs	Abandon-ment and restoration costs	Total cash flow before levy and income tax (discounted at 0%)	Taxes		Total discounted cash flow after tax				
										Levy	Income tax	Discounted at 0%	Discounted at 5%	Discounted at 10%	Discounted at 15%	Discounted at 20%
31.12.2020	209	4.55	138,405	22,895	-	9,601	8,174	-	97,734	-	13,080	84,654	83,628	82,661	81,748	80,882
31.12.2021	391	8.51	236,821	39,176	-	24,178	12,560	-	160,907	38,040	9,430	113,437	108,035	103,124	98,641	94,531
31.12.2022	385	8.38	231,222	38,250	-	24,347	17,743	-	150,882	44,652	7,069	99,161	89,942	81,951	74,980	68,862
31.12.2023	422	9.19	256,029	42,353	-	24,524	52,180	-	136,972	46,743	11,056	79,173	68,392	59,484	52,057	45,818
31.12.2024	458	9.97	279,288	46,201	-	24,524	15,939	-	192,623	75,611	5,505	111,507	91,737	76,161	63,755	53,775
31.12.2025	477	10.40	292,075	48,316	-	24,524	-	-	219,235	98,742	1,555	118,938	93,191	73,851	59,133	47,798
31.12.2026	477	10.40	292,170	48,332	-	24,524	-	-	219,314	102,639	677	115,999	86,560	65,478	50,149	38,848
31.12.2027	506	11.03	315,295	52,157	-	24,524	16,319	-	222,295	104,034	6,332	111,929	79,546	57,437	42,078	31,237
31.12.2028	535	11.65	335,656	55,525	-	24,524	16,319	-	239,287	111,987	17,925	109,376	74,030	51,025	35,755	25,437
31.12.2029	535	11.65	340,041	56,251	-	24,524	-	-	259,266	121,337	16,241	121,689	78,442	51,608	34,592	23,584
31.12.2030	535	11.65	344,321	56,959	-	24,524	-	-	262,838	123,008	16,678	123,152	75,605	47,480	30,441	19,890
31.12.2031	535	11.65	349,006	57,734	-	24,524	-	-	266,748	124,838	17,189	124,721	72,922	43,714	26,808	16,786
31.12.2032	535	11.65	354,247	58,601	-	24,524	8,524	-	262,598	122,896	18,959	120,743	67,234	38,473	22,568	13,542

Total discounted cash flow from Proved Reserves as of June 30, 2020 (in dollars in thousands in relation to the Company’s share)																
Cash flow components																
Until	Condensate sales volume (thousands of barrels) (100% of the petroleum asset)	Sales volume (BCM) (100% of the petroleum asset)	Income	Royalties to be paid	Royalties to be received	Operation costs	Develop-ment costs	Abandon-ment and restoration costs	Total cash flow before levy and income tax (discounted at 0%)	Taxes		Total discounted cash flow after tax				
										Levy	Income tax	Discounted at 0%	Discounted at 5%	Discounted at 10%	Discounted at 15%	Discounted at 20%
31.12.2033	535	11.65	359,870	59,531	-	24,524	41,161	-	234,653	109,818	22,850	101,986	54,085	29,542	16,576	9,532
31.12.2034	535	11.65	365,447	60,454	-	24,524	-	-	280,469	131,260	21,293	127,917	64,607	33,685	18,078	9,963
31.12.2035	534	11.64	370,817	61,342	-	24,524	-	-	284,951	133,357	22,876	128,719	61,916	30,814	15,819	8,355
31.12.2036	469	10.22	330,674	54,701	-	24,524	-	-	251,448	117,678	20,008	113,763	52,116	24,758	12,157	6,153
31.12.2037	393	8.55	280,988	46,482	-	24,524	-	-	209,982	98,272	16,383	95,328	41,591	18,860	8,858	4,297
31.12.2038	239	5.20	173,566	28,712	-	24,524	-	-	120,330	56,314	8,694	55,321	22,987	9,950	4,470	2,078
31.12.2039	219	4.76	161,417	26,702	-	24,524	-	-	110,191	51,569	8,211	50,411	19,949	8,243	3,542	1,578
31.12.2040	216	4.70	161,917	26,785	-	24,524	-	-	110,608	51,764	8,314	50,529	19,044	7,511	3,087	1,318
31.12.2041	212	4.62	161,677	26,745	-	24,524	-	-	110,408	51,671	8,359	50,378	18,083	6,808	2,677	1,095
31.12.2042	209	4.56	162,101	26,815	-	24,524	-	-	110,762	51,836	8,193	50,732	17,343	6,232	2,344	919
31.12.2043	206	4.49	162,137	26,821	-	24,524	-	-	110,792	51,851	8,453	50,488	16,437	5,638	2,028	762
31.12.2044	202	4.40	161,402	26,700	-	24,524	-	14,087	96,091	44,970	10,919	40,201	12,465	4,081	1,404	506
31.12.2045	163	3.54	131,910	21,821	-	24,524	-	14,087	71,478	33,452	8,654	29,373	8,674	2,711	892	308
31.12.2046	135	2.94	111,287	18,409	-	24,524	-	14,087	54,266	25,397	7,068	21,801	6,131	1,829	576	190

Total discounted cash flow from Proved Reserves as of June 30, 2020 (in dollars in thousands in relation to the Company’s share)																
Cash flow components																
Until	Condensate sales volume (thousands of barrels) (100% of the petroleum asset)	Sales volume (BCM) (100% of the petroleum asset)	Income	Royalties to be paid	Royalties to be received	Operation costs	Develop- ment costs	Abandon- ment and restoration costs	Total cash flow before levy and income tax (discounted at 0%)	Taxes		Total discounted cash flow after tax				
										Levy	Income tax	Discounted at 0%	Discounted at 5%	Discounted at 10%	Discounted at 15%	Discounted at 20%
31.12.2047	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2048	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2049	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2050	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2051	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2052	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2053	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2054	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2055	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2056	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	10,266	224	6,859,785	1,134,772	-	646,703	188,919	42,261	4,847,130	2,123,736	321,967	2,401,426	1,484,693	1,023,110	765,214	608,044

Total discounted cash flow from Probable Reserves as of June 30, 2020 (in dollars in thousands in relation to the Company’s share)																
Cash flow components																
Until	Condensate sales volume (thousands of barrels) (100% of the petroleum asset)	Sales volume (BCM) (100% of the petroleum asset)	Income	Royalties to be paid	Royalties to be received	Operation costs	Develop- ment costs <sup>17</sup>	Abandon- ment and restoration costs	Total cash flow before levy and income tax (discounted at 0%)	Taxes		Total discounted cash flow after tax				
										Levy	Income tax	Discounted at 0%	Discounted at 5%	Discounted at 10%	Discounted at 15%	Discounted at 20%
31.12.2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2021	-	-	-	-	-	-	(5,126)	-	5,126	1,409	(324)	4,041	3,849	3,674	3,514	3,368
31.12.2022	-	-	-	-	-	-	(15,934)	-	15,934	5,619	(1,178)	11,493	10,424	9,498	8,690	7,981
31.12.2023	-	-	-	-	-	-	(52,180)	-	52,180	21,229	(4,771)	35,722	30,858	26,839	23,488	20,673
31.12.2024	-	-	-	-	-	-	(2,405)	-	2,405	5,323	2,135	(5,053)	(4,157)	(3,451)	(2,889)	(2,437)
31.12.2025	-	-	-	-	-	-	27,782	-	(27,782)	(10,668)	5,153	(22,267)	(17,447)	(13,826)	(11,071)	(8,949)
31.12.2026	-	-	-	-	-	-	31,879	-	(31,879)	(14,919)	5,859	(22,818)	(17,027)	(12,880)	(9,865)	(7,642)
31.12.2027	-	-	-	-	-	-	(379)	-	379	177	1,653	(1,452)	(1,032)	(745)	(546)	(405)
31.12.2028	-	-	-	-	-	-	(16,319)	-	16,319	7,637	(420)	9,102	6,161	4,246	2,975	2,117
31.12.2029	-	-	-	-	-	-	-	-	-	-	1,712	(1,712)	(1,103)	(726)	(487)	(332)
31.12.2030	-	-	-	-	-	-	-	-	-	-	1,712	(1,712)	(1,051)	(660)	(423)	(276)

<sup>17</sup> Since the degree of certainty required for production of the probable reserves (50%) is lower than the degree of certainty required for the production of the proved reserves (90%), the date of performance of the capital investments required for production of the probable reserves was postponed relative to the date of performance of the capital investments required for production of the proved reserves, in accordance with the production profile. Thus, development costs which are stated as negative in certain years in the table of discounted cash flow figures from probable reserves, are stated as positive in later years in the same table, relative to the development costs in the table of discounted cash flow figures from proved reserves. For details regarding the total capital investments required, see the table of discounted cash flow figures from 2P (proved (1P) + probable) reserves.

Total discounted cash flow from Probable Reserves as of June 30, 2020 (in dollars in thousands in relation to the Company’s share)																
Cash flow components																
Until	Condensate sales volume (thousands of barrels) (100% of the petroleum asset)	Sales volume (BCM) (100% of the petroleum asset)	Income	Royalties to be paid	Royalties to be received	Operation costs	Develop- ment costs <sup>17</sup>	Abandon- ment and restoration costs	Total cash flow before levy and income tax (discounted at 0%)	Taxes		Total discounted cash flow after tax				
										Levy	Income tax	Discounted at 0%	Discounted at 5%	Discounted at 10%	Discounted at 15%	Discounted at 20%
31.12.2031	-	-	-	-	-	-	-	-	-	-	1,712	(1,712)	(1,001)	(600)	(368)	(230)
31.12.2032	-	-	-	-	-	-	(8,524)	-	8,524	3,989	685	3,850	2,144	1,227	720	432
31.12.2033	-	-	-	-	-	-	(41,161)	-	41,161	19,264	(2,632)	24,530	13,009	7,105	3,987	2,293
31.12.2034	-	-	-	-	-	-	-	-	-	-	(505)	505	255	133	71	39
31.12.2035	0	0.01	319	53	-	-	-	-	266	124	187	(46)	(22)	(11)	(6)	(3)
31.12.2036	66	1.43	46,265	7,653	-	-	32,637	-	5,974	2,796	8,665	(5,486)	(2,513)	(1,194)	(586)	(297)
31.12.2037	142	3.10	101,869	16,852	-	-	17,048	-	67,969	31,810	12,647	23,512	10,258	4,652	2,185	1,060
31.12.2038	296	6.45	215,276	35,612	-	-	-	-	179,664	84,083	22,359	73,222	30,425	13,170	5,917	2,750
31.12.2039	316	6.89	233,635	38,649	-	-	48,956	-	146,030	68,342	29,128	48,560	19,217	7,940	3,412	1,520
31.12.2040	319	6.95	239,417	39,605	-	-	16,319	-	183,493	85,875	25,079	72,539	27,339	10,782	4,432	1,892
31.12.2041	321	7.00	244,952	40,521	-	-	-	-	204,431	95,674	23,471	85,286	30,613	11,525	4,531	1,854
31.12.2042	309	6.73	239,229	39,574	-	-	-	-	199,655	93,439	23,148	83,068	28,397	10,205	3,838	1,505
31.12.2043	264	5.75	207,629	34,347	-	-	-	-	173,282	81,096	19,725	72,461	23,591	8,092	2,911	1,094
31.12.2044	175	3.82	140,125	23,180	-	-	-	(14,087)	131,032	61,323	10,369	59,340	18,399	6,025	2,073	746
31.12.2045	202	4.41	164,328	27,184	-	-	-	(14,087)	151,232	70,776	12,840	67,615	19,967	6,241	2,054	709

<b>Total discounted cash flow from Probable Reserves as of June 30, 2020 (in dollars in thousands in relation to the Company's share)</b>																
<b>Cash flow components</b>																
<b>Until</b>	<b>Condensate sales volume (thousands of barrels) (100% of the petroleum asset)</b>	<b>Sales volume (BCM) (100% of the petroleum asset)</b>	<b>Income</b>	<b>Royalties to be paid</b>	<b>Royalties to be received</b>	<b>Operation costs</b>	<b>Development costs<sup>17</sup></b>	<b>Abandonment and restoration costs</b>	<b>Total cash flow before levy and income tax (discounted at 0%)</b>	<b>Taxes</b>		<b>Total discounted cash flow after tax</b>				
										<b>Levy</b>	<b>Income tax</b>	<b>Discounted at 0%</b>	<b>Discounted at 5%</b>	<b>Discounted at 10%</b>	<b>Discounted at 15%</b>	<b>Discounted at 20%</b>
<b>31.12.2046</b>	221	4.82	182,450	30,182	-	-	-	(14,087)	166,355	77,854	14,299	74,202	20,869	6,226	1,960	648
<b>31.12.2047</b>	330	7.19	276,470	45,735	-	24,524	-	-	206,211	96,507	22,905	86,800	23,249	6,621	1,994	632
<b>31.12.2048</b>	273	5.94	232,022	38,382	-	24,524	-	15,035	154,082	72,110	20,376	61,595	15,713	4,271	1,230	374
<b>31.12.2049</b>	195	4.25	168,639	27,897	-	24,524	-	15,035	101,183	47,354	13,903	39,926	9,700	2,517	693	202
<b>31.12.2050</b>	151	3.28	132,212	21,871	-	24,524	-	15,035	70,782	33,126	11,727	25,930	6,000	1,486	392	109
<b>31.12.2051</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>31.12.2052</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>31.12.2053</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>31.12.2054</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>31.12.2055</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>31.12.2056</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3,582</b>	<b>78.02</b>	<b>2,824,835</b>	<b>467,295</b>	<b>-</b>	<b>98,096</b>	<b>32,592</b>	<b>2,842</b>	<b>2,224,009</b>	<b>1,041,348</b>	<b>281,619</b>	<b>901,042</b>	<b>305,083</b>	<b>118,380</b>	<b>54,828</b>	<b>31,426</b>

Total discounted cash flow from 2P (proved + probable) reserves as of June 30, 2020 (in dollars in thousands in relation to the Company's share)																
Cash flow components																
Until	Condensate sales volume (thousands of barrels) (100% of the petroleum asset)	Sales volume (BCM) (100% of the petroleum asset)	Income	Royalties to be paid	Royalties to be received	Operation costs	Develop-ment costs	Abandon-ment and restoration costs	Total cash flow before levy and income tax (discounted at 0%)	Taxes		Total discounted cash flow after tax				
										Levy	Income tax	Discounted at 0%	Discounted at 5%	Discounted at 10%	Discounted at 15%	Discounted at 20%
31.12.2020	209	4.55	138,405	22,895	-	9,601	8,174	-	97,734	-	13,080	84,654	83,628	82,661	81,748	80,882
31.12.2021	391	8.51	236,821	39,176	-	24,178	7,434	-	166,033	39,449	9,106	117,478	111,884	106,798	102,155	97,898
31.12.2022	385	8.38	231,222	38,250	-	24,347	1,809	-	166,816	50,272	5,891	110,653	100,366	91,449	83,670	76,843
31.12.2023	422	9.19	256,029	42,353	-	24,524	-	-	189,152	67,972	6,285	114,895	99,251	86,322	75,545	66,490
31.12.2024	458	9.97	279,288	46,201	-	24,524	13,534	-	195,029	80,935	7,640	106,454	87,580	72,710	60,866	51,338
31.12.2025	477	10.40	292,075	48,316	-	24,524	27,782	-	191,453	88,074	6,708	96,671	75,744	60,025	48,063	38,850
31.12.2026	477	10.40	292,170	48,332	-	24,524	31,879	-	187,435	87,720	6,535	93,180	69,533	52,598	40,284	31,206
31.12.2027	506	11.03	315,295	52,157	-	24,524	15,939	-	222,674	104,212	7,985	110,478	78,515	56,693	41,533	30,832
31.12.2028	535	11.65	335,656	55,525	-	24,524	-	-	255,606	119,624	17,504	118,478	80,191	55,271	38,731	27,554
31.12.2029	535	11.65	340,041	56,251	-	24,524	-	-	259,266	121,337	17,952	119,977	77,339	50,882	34,105	23,252
31.12.2030	535	11.65	344,321	56,959	-	24,524	-	-	262,838	123,008	18,389	121,441	74,554	46,821	30,018	19,613
31.12.2031	535	11.65	349,006	57,734	-	24,524	-	-	266,748	124,838	18,901	123,009	71,921	43,114	26,440	16,556
31.12.2032	535	11.65	354,247	58,601	-	24,524	-	-	271,122	126,885	19,644	124,593	69,378	39,699	23,287	13,974
31.12.2033	535	11.65	359,870	59,531	-	24,524	-	-	275,815	129,081	20,218	126,516	67,094	36,647	20,562	11,825

Total discounted cash flow from 2P (proved + probable) reserves as of June 30, 2020 (in dollars in thousands in relation to the Company's share)																
Cash flow components																
Until	Condensate sales volume (thousands of barrels) (100% of the petroleum asset)	Sales volume (BCM) (100% of the petroleum asset)	Income	Royalties to be paid	Royalties to be received	Operation costs	Develop-ment costs	Abandon-ment and restoration costs	Total cash flow before levy and income tax (discounted at 0%)	Taxes		Total discounted cash flow after tax				
										Levy	Income tax	Discounted at 0%	Discounted at 5%	Discounted at 10%	Discounted at 15%	Discounted at 20%
31.12.2034	535	11.65	365,447	60,454	-	24,524	-	-	280,469	131,260	20,787	128,422	64,862	33,818	18,150	10,002
31.12.2035	535	11.65	371,136	61,395	-	24,524	-	-	285,217	133,482	23,063	128,673	61,894	30,803	15,813	8,352
31.12.2036	535	11.65	376,938	62,355	-	24,524	32,637	-	257,422	120,474	28,673	108,276	49,603	23,564	11,571	5,856
31.12.2037	535	11.65	382,857	63,334	-	24,524	17,048	-	277,951	130,081	29,030	118,840	51,849	23,512	11,043	5,356
31.12.2038	535	11.65	388,842	64,324	-	24,524	-	-	299,994	140,397	31,053	128,543	53,412	23,120	10,387	4,828
31.12.2039	535	11.65	395,052	65,351	-	24,524	48,956	-	256,221	119,911	37,339	98,971	39,166	16,182	6,954	3,098
31.12.2040	535	11.65	401,333	66,390	-	24,524	16,319	-	294,100	137,639	33,393	123,068	46,383	18,293	7,519	3,210
31.12.2041	533	11.62	406,629	67,266	-	24,524	-	-	314,839	147,345	31,830	135,664	48,696	18,332	7,208	2,949
31.12.2042	518	11.29	401,330	66,390	-	24,524	-	-	310,417	145,275	31,341	133,801	45,740	16,437	6,182	2,424
31.12.2043	470	10.24	369,766	61,168	-	24,524	-	-	284,074	132,947	28,178	122,949	40,029	13,731	4,939	1,856
31.12.2044	377	8.22	301,526	49,880	-	24,524	-	-	227,122	106,293	21,288	99,541	30,865	10,106	3,477	1,252
31.12.2045	365	7.95	296,238	49,005	-	24,524	-	-	222,709	104,228	21,494	96,987	28,641	8,952	2,946	1,017
31.12.2046	356	7.76	293,736	48,591	-	24,524	-	-	220,621	103,251	21,367	96,004	27,000	8,055	2,536	839
31.12.2047	330	7.19	276,470	45,735	-	24,524	-	-	206,211	96,507	22,905	86,800	23,249	6,621	1,994	632
31.12.2048	273	5.94	232,022	38,382	-	24,524	-	15,035	154,082	72,110	20,376	61,595	15,713	4,271	1,230	374



Total discounted cash flow from 2P (proved + probable) reserves as of June 30, 2020 (in dollars in thousands in relation to the Company's share)																
Cash flow components																
Until	Condensate sales volume (thousands of barrels) (100% of the petroleum asset)	Sales volume (BCM) (100% of the petroleum asset)	Income	Royalties to be paid	Royalties to be received	Operation costs	Develop-ment costs	Abandon-ment and restoration costs	Total cash flow before levy and income tax (discounted at 0%)	Taxes		Total discounted cash flow after tax				
										Levy	Income tax	Discounted at 0%	Discounted at 5%	Discounted at 10%	Discounted at 15%	Discounted at 20%
31.12.2049	195	4.25	168,639	27,897	-	24,524	-	15,035	101,183	47,354	13,903	39,926	9,700	2,517	693	202
31.12.2050	151	3.28	132,212	21,871	-	24,524	-	15,035	70,782	33,126	11,727	25,930	6,000	1,486	392	109
31.12.2051	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2052	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2053	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2054	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2055	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2056	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	13,847	302	9,684,620	1,602,068	-	744,799	221,511	45,104	7,071,138	3,165,084	603,586	3,302,468	1,789,776	1,141,490	820,042	639,469

[illegible]

<b><u>Total discounted cash flow from Possible Reserves as of June 30, 2020 (in dollars in thousands in relation to the Company's share)</u></b>																
<b><u>Cash flow components</u></b>																
<b><u>Until</u></b>	<b><u>Condensate sales volume (thousands of barrels) (100% of the petroleum asset)</u></b>	<b><u>Sales volume (BCM) (100% of the petroleum asset)</u></b>	<b><u>Income</u></b>	<b><u>Royalties to be paid</u></b>	<b><u>Royalties to be received</u></b>	<b><u>Operation costs</u></b>	<b><u>Development costs</u></b>	<b><u>Abandonment and restoration costs</u></b>	<b><u>Total cash flow before levy and income tax (discounted at 0%)</u></b>	<b><u>Taxes</u></b>		<b><u>Total discounted cash flow after tax</u></b>				
										<b><u>Levy</u></b>	<b><u>Income tax</u></b>	<b><u>Discounted at 0%</u></b>	<b><u>Discounted at 5%</u></b>	<b><u>Discounted at 10%</u></b>	<b><u>Discounted at 15%</u></b>	<b><u>Discounted at 20%</u></b>
31.12.2034	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31.12.2035	-	-	-	-	-	-	-	-	-	-	(356)	356	171	85	44	23
31.12.2036	-	-	-	-	-	-	(16,319)	-	16,319	7,637	(1,990)	10,672	4,889	2,322	1,140	577
31.12.2037	-	-	-	-	-	-	7,795	-	(7,795)	(3,648)	1,214	(5,361)	(2,339)	(1,061)	(498)	(242)
31.12.2038	-	-	-	-	-	-	8,524	-	(8,524)	(3,989)	1,114	(5,648)	(2,347)	(1,016)	(456)	(212)
31.12.2039	-	-	-	-	-	-	(32,637)	-	32,637	15,274	(3,513)	20,876	8,261	3,413	1,467	653
31.12.2040	-	-	-	-	-	-	16,319	-	(16,319)	(7,637)	2,507	(11,189)	(4,217)	(1,663)	(684)	(292)
31.12.2041	1	0.03	1,050	174	-	-	16,319	-	(15,443)	(7,227)	2,281	(10,496)	(3,768)	(1,418)	(558)	(228)
31.12.2042	17	0.36	12,796	2,117	-	-	-	-	10,679	4,998	1,348	4,333	1,481	532	200	78
31.12.2043	65	1.41	50,911	8,422	-	-	-	-	42,489	19,885	5,241	17,364	5,653	1,939	698	262
31.12.2044	157	3.43	125,808	20,812	-	-	-	-	104,996	49,138	12,889	42,969	13,323	4,362	1,501	541
31.12.2045	170	3.70	137,859	22,805	-	-	-	-	115,054	53,845	14,120	47,089	13,906	4,346	1,430	494
31.12.2046	179	3.89	147,233	24,356	-	-	-	-	122,878	57,507	15,469	49,902	14,034	4,187	1,318	436
31.12.2047	196	4.28	164,562	27,222	-	-	-	-	137,339	64,275	16,863	56,201	15,053	4,287	1,291	409
31.12.2048	244	5.32	207,793	34,374	-	-	-	(15,035)	188,453	88,196	19,839	80,418	20,514	5,576	1,606	488

Total discounted cash flow from Possible Reserves as of June 30, 2020 (in dollars in thousands in relation to the Company’s share)																
Cash flow components																
Until	Condensate sales volume (thousands of barrels) (100% of the petroleum asset)	Sales volume (BCM) (100% of the petroleum asset)	Income	Royalties to be paid	Royalties to be received	Operation costs	Develop- ment costs	Abandon- ment and restoration costs	Total cash flow before levy and income tax (discounted at 0%)	Taxes		Total discounted cash flow after tax				
										Levy	Income tax	Discounted at 0%	Discounted at 5%	Discounted at 10%	Discounted at 15%	Discounted at 20%
31.12.2049	286	6.23	247,196	40,892	-	-	-	(15,035)	221,338	103,586	24,059	93,693	22,762	5,906	1,627	474
31.12.2050	304	6.63	267,238	44,208	-	-	-	(15,035)	238,065	111,414	24,938	101,713	23,534	5,829	1,536	428
31.12.2051	422	9.20	376,711	62,317	-	24,524	-	-	289,870	135,659	35,093	119,118	26,249	6,206	1,564	418
31.12.2052	358	7.79	324,036	53,603	-	24,524	-	-	245,909	115,085	29,697	101,126	21,223	4,790	1,155	296
31.12.2053	292	6.37	269,170	44,527	-	24,524	-	-	200,119	93,656	24,094	82,369	16,463	3,547	818	201
31.12.2054	228	4.96	212,913	35,221	-	24,524	-	15,035	138,134	64,647	19,968	53,519	10,188	2,095	462	109
31.12.2055	160	3.48	151,752	25,103	-	24,524	-	15,035	87,090	40,758	13,722	32,610	5,912	1,160	245	55
31.12.2056	129	2.81	124,480	20,592	-	24,524	-	15,035	64,329	30,106	10,937	23,286	4,021	753	152	33
Total	3,209	69.89	2,821,509	466,745	-	147,144	-	-	2,207,620	1,033,508	271,064	903,048	214,095	55,940	16,218	5,403

Total discounted cash flow from 3P (proved + probable + possible) reserves as of June 30, 2020 (in dollars in thousands in relation to the Company’s share)																
Cash flow components																
Until	Condensate sales volume (thousands of barrels) (100% of the petroleum asset)	Sales volume (BCM) (100% of the petroleum asset)	Income	Royalties to be paid	Royalties to be received	Operation costs	Develop-ment costs	Abandon-ment and restoration costs	Total cash flow before levy and income tax (discounted at 0%)	Taxes		Total discounted cash flow after tax				
										Levy	Income tax	Discounted at 0%	Discounted at 5%	Discounted at 10%	Discounted at 15%	Discounted at 20%
31.12.2020	209	4.55	138,405	22,895	-	9,601	8,174	-	97,734	-	13,080	84,654	83,628	82,661	81,748	80,882
31.12.2021	391	8.51	236,821	39,176	-	24,178	7,434	-	166,033	39,449	9,106	117,478	111,884	106,798	102,155	97,898
31.12.2022	385	8.38	231,222	38,250	-	24,347	1,809	-	166,816	50,272	5,891	110,653	100,366	91,449	83,670	76,843
31.12.2023	422	9.19	256,029	42,353	-	24,524	-	-	189,152	67,972	6,285	114,895	99,251	86,322	75,545	66,490
31.12.2024	458	9.97	279,288	46,201	-	24,524	-	-	208,563	87,151	6,210	115,202	94,777	78,685	65,867	55,557
31.12.2025	477	10.40	292,075	48,316	-	24,524	31,165	-	188,069	86,951	8,340	92,778	72,694	57,608	46,127	37,286
31.12.2026	477	10.40	292,170	48,332	-	24,524	42,029	-	177,285	82,969	7,861	86,454	64,513	48,801	37,377	28,953
31.12.2027	506	11.03	315,295	52,157	-	24,524	15,939	-	222,674	104,212	7,985	110,478	78,515	56,693	41,533	30,832
31.12.2028	535	11.65	335,656	55,525	-	24,524	-	-	255,606	119,624	17,504	118,478	80,191	55,271	38,731	27,554
31.12.2029	535	11.65	340,041	56,251	-	24,524	-	-	259,266	121,337	17,952	119,977	77,339	50,882	34,105	23,252
31.12.2030	535	11.65	344,321	56,959	-	24,524	-	-	262,838	123,008	18,389	121,441	74,554	46,821	30,018	19,613
31.12.2031	535	11.65	349,006	57,734	-	24,524	-	-	266,748	124,838	18,901	123,009	71,921	43,114	26,440	16,556
31.12.2032	535	11.65	354,247	58,601	-	24,524	-	-	271,122	126,885	19,644	124,593	69,378	39,699	23,287	13,974
31.12.2033	535	11.65	359,870	59,531	-	24,524	-	-	275,815	129,081	20,218	126,516	67,094	36,647	20,562	11,825

<b><u>Total discounted cash flow from 3P (proved + probable + possible) reserves as of June 30, 2020 (in dollars in thousands in relation to the Company's share)</u></b>																
<b><u>Cash flow components</u></b>																
<b><u>Until</u></b>	<b><u>Condensate sales volume (thousands of barrels) (100% of the petroleum asset)</u></b>	<b><u>Sales volume (BCM) (100% of the petroleum asset)</u></b>	<b><u>Income</u></b>	<b><u>Royalties to be paid</u></b>	<b><u>Royalties to be received</u></b>	<b><u>Operation costs</u></b>	<b><u>Development costs</u></b>	<b><u>Abandonment and restoration costs</u></b>	<b><u>Total cash flow before levy and income tax (discounted at 0%)</u></b>	<b><u>Taxes</u></b>		<b><u>Total discounted cash flow after tax</u></b>				
										<b><u>Levy</u></b>	<b><u>Income tax</u></b>	<b><u>Discounted at 0%</u></b>	<b><u>Discounted at 5%</u></b>	<b><u>Discounted at 10%</u></b>	<b><u>Discounted at 15%</u></b>	<b><u>Discounted at 20%</u></b>
<b>31.12.2034</b>	535	11.65	365,447	60,454	-	24,524	-	-	280,469	131,260	20,787	128,422	64,862	33,818	18,150	10,002
<b>31.12.2035</b>	535	11.65	371,136	61,395	-	24,524	-	-	285,217	133,482	22,707	129,029	62,065	30,888	15,857	8,375
<b>31.12.2036</b>	535	11.65	376,938	62,355	-	24,524	16,319	-	273,741	128,111	26,683	118,948	54,491	25,886	12,711	6,434
<b>31.12.2037</b>	535	11.65	382,857	63,334	-	24,524	24,843	-	270,157	126,433	30,245	113,479	49,510	22,451	10,545	5,115
<b>31.12.2038</b>	535	11.65	388,842	64,324	-	24,524	8,524	-	291,470	136,408	32,167	122,895	51,065	22,104	9,931	4,616
<b>31.12.2039</b>	535	11.65	395,052	65,351	-	24,524	16,319	-	288,858	135,186	33,826	119,847	47,427	19,596	8,421	3,751
<b>31.12.2040</b>	535	11.65	401,333	66,390	-	24,524	32,637	-	277,782	130,002	35,901	111,879	42,166	16,630	6,836	2,918
<b>31.12.2041</b>	535	11.65	407,679	67,440	-	24,524	16,319	-	299,396	140,117	34,111	125,168	44,928	16,914	6,650	2,721
<b>31.12.2042</b>	535	11.65	414,126	68,506	-	24,524	-	-	321,096	150,273	32,689	138,134	47,221	16,969	6,382	2,502
<b>31.12.2043</b>	535	11.65	420,678	69,590	-	24,524	-	-	326,563	152,832	33,419	140,313	45,682	15,670	5,637	2,118
<b>31.12.2044</b>	535	11.65	427,334	70,691	-	24,524	-	-	332,119	155,432	34,177	142,510	44,188	14,468	4,978	1,793
<b>31.12.2045</b>	535	11.65	434,098	71,810	-	24,524	-	-	337,763	158,073	35,614	144,076	42,546	13,298	4,377	1,510
<b>31.12.2046</b>	535	11.65	440,970	72,947	-	24,524	-	-	343,499	160,757	36,836	145,905	41,035	12,242	3,854	1,275
<b>31.12.2047</b>	527	11.47	441,032	72,957	-	24,524	-	-	343,550	160,782	39,768	143,001	38,303	10,908	3,285	1,041
<b>31.12.2048</b>	517	11.26	439,815	72,756	-	24,524	-	-	342,535	160,306	40,215	142,013	36,227	9,848	2,837	861

Total discounted cash flow from 3P (proved + probable + possible) reserves as of June 30, 2020 (in dollars in thousands in relation to the Company’s share)																
Cash flow components																
Until	Condensate sales volume (thousands of barrels) (100% of the petroleum asset)	Sales volume (BCM) (100% of the petroleum asset)	Income	Royalties to be paid	Royalties to be received	Operation costs	Develop-ment costs	Abandon-ment and restoration costs	Total cash flow before levy and income tax (discounted at 0%)	Taxes		Total discounted cash flow after tax				
										Levy	Income tax	Discounted at 0%	Discounted at 5%	Discounted at 10%	Discounted at 15%	Discounted at 20%
31.12.2049	481	10.48	415,835	68,789	-	24,524	-	-	322,522	150,940	37,962	133,619	32,462	8,423	2,321	675
31.12.2050	455	9.91	399,450	66,079	-	24,524	-	-	308,847	144,541	36,665	127,642	29,534	7,315	1,928	538
31.12.2051	422	9.20	376,711	62,317	-	24,524	-	-	289,870	135,659	35,093	119,118	26,249	6,206	1,564	418
31.12.2052	358	7.79	324,036	53,603	-	24,524	-	-	245,909	115,085	29,697	101,126	21,223	4,790	1,155	296
31.12.2053	292	6.37	269,170	44,527	-	24,524	-	-	200,119	93,656	24,094	82,369	16,463	3,547	818	201
31.12.2054	228	4.96	212,913	35,221	-	24,524	-	15,035	138,134	64,647	19,968	53,519	10,188	2,095	462	109
31.12.2055	160	3.48	151,752	25,103	-	24,524	-	15,035	87,090	40,758	13,722	32,610	5,912	1,160	245	55
31.12.2056	129	2.81	124,480	20,592	0	24,524	0	15,035	64,329	30,106	10,937	23,286	4,021	753	152	33
Total	17,056	372	12,506,129	2,068,813	-	891,943	221,511	45,104	9,278,758	4,198,592	874,650	4,205,516	2,003,871	1,197,430	836,260	644,872

**Caution – It is clarified that discounted cash flow figures, whether calculated at a specific cap rate or without a cap rate, represent present value but do not necessarily represent fair value.**

**Caution regarding forward-looking information – the discounted cash flow figures as aforesaid are forward-looking information, within the meaning thereof in the Securities Law. The above figures are based on various assumptions including in relation to the quantities of gas and condensate that shall be produced, a forecast of demand for natural gas, the pace and duration of the natural gas sales from the project, operating costs, capital expenditures, abandonment expenses, rates of royalties and the sale prices, including with respect to the price adjustments according to the agreement with the IEC and the Export to Egypt Agreement, in respect of which there is no certainty that they will materialize. It is noted that the quantities of natural gas and/or condensate that shall actually be produced, the said expenses and the said income may be materially different from the above assumptions and estimates, *inter alia* as a result of the competition conditions prevailing in the market and/or operating and technical conditions and/or regulatory changes and/or supply and demand conditions in the domestic market and/or in the export markets of natural gas and/or condensate and/or the actual performance of the project and/or as a result of the actual sale prices and/or as a result of geopolitical changes that shall occur. It is further noted that the price adjustment rate on the price adjustment dates, as determined in the agreement with the IEC and the Export to Egypt Agreement, may be materially different to the Company's estimate, *inter alia* as a result of the natural gas prices in the domestic market in practice on the price adjustment dates, all according to the adjustment mechanisms, as determined in such agreements.**



Set forth below is an analysis of sensitivity of the discounted cash flow to the main parameters comprising it (the gas price and the gas sales volume<sup>18</sup>) as of June 30, 2020 (dollars in thousands) which was performed by the Company:

Sensitivity / Category	Present value discounted at 0%	Present value discounted at 10%	Present value discounted at 15%	Present value discounted at 20%	Sensitivity / Category	Present value discounted at 0%	Present value discounted at 10%	Present value discounted at 15%	Present value discounted at 20%
<b>10% increase in gas price</b>					<b>10% decrease in gas price</b>				
1P (Proved) Reserves	2,634,271	1,115,365	832,554	660,605	1P (Proved) Reserves	2,166,026	928,675	695,816	553,518
Probable Reserves	997,191	129,110	58,625	32,685	Probable Reserves	807,339	109,101	52,171	31,075
Total 2P (Proved+Probable) Reserves	3,631,461	1,244,475	891,179	693,290	Total 2P (Proved+Probable) Reserves	2,973,365	1,037,776	747,988	584,593
Possible Reserves	999,608	61,710	17,839	5,900	Possible Reserves	806,689	50,303	14,706	4,997
Total 3P (Proved+Probable+Possible) Reserves	4,631,069	1,306,185	909,019	699,190	Total 3P (Proved+Probable+Possible) Reserves	3,780,054	1,088,079	762,694	589,590
<b>15% increase in gas price</b>					<b>15% decrease in gas price</b>				
1P (Proved) Reserves	2,751,585	1,162,301	867,014	687,665	1P (Proved) Reserves	2,046,958	880,118	659,820	525,006
Probable Reserves	1,045,332	134,535	60,579	33,366	Probable Reserves	761,215	104,924	51,217	31,204
Total 2P (Proved+Probable) Reserves	3,796,916	1,296,835	927,593	721,031	Total 2P (Proved+Probable) Reserves	2,808,173	985,042	711,037	556,210
Possible Reserves	1,047,895	64,611	18,667	6,166	Possible Reserves	758,562	47,520	13,979	4,818
Total 3P (Proved+Probable+Possible) Reserves	4,844,811	1,361,447	946,260	727,197	Total 3P (Proved+Probable+Possible) Reserves	3,566,735	1,032,562	725,016	561,028

<sup>18</sup> Sensitivity to a change in the quantity of gas sold. It is emphasized that the said analyses do not take into account changes in the future investment plan, both in relation to increasing or decreasing the quantity.

Sensitivity / Category	Present value discounted at 0%	Present value discounted at 10%	Present value discounted at 15%	Present value discounted at 20%	Sensitivity / Category	Present value discounted at 0%	Present value discounted at 10%	Present value discounted at 15%	Present value discounted at 20%
<b>20% increase in gas price</b>					<b>20% decrease in gas price</b>				
1P (Proved) Reserves	2,866,993	1,207,144	899,324	712,536	1P (Proved) Reserves	1,929,123	832,579	624,780	497,405
Probable Reserves	1,093,459	139,984	62,566	34,084	Probable Reserves	715,012	100,727	50,259	31,340
Total 2P (Proved+Probable) Reserves	3,960,452	1,347,127	961,890	746,619	Total 2P (Proved+Probable) Reserves	2,644,135	933,307	675,039	528,746
Possible Reserves	1,096,173	67,506	19,490	6,428	Possible Reserves	710,408	44,716	13,235	4,624
Total 3P (Proved+Probable+Possible) Reserves	5,056,625	1,414,633	981,380	753,047	Total 3P (Proved+Probable+Possible) Reserves	3,354,544	978,023	688,273	533,370

Sensitivity / Category	Present value discounted at 0%	Present value discounted at 10%	Present value discounted at 15%	Present value discounted at 20%	Sensitivity / Category	Present value discounted at 0%	Present value discounted at 10%	Present value discounted at 15%	Present value discounted at 20%
<b>10% increase in gas sales volume</b>					<b>10% decrease in gas sales volume</b>				
1P (Proved) Reserves	2,405,318	1,096,115	828,686	661,569	1P (Proved) Reserves	2,166,042	928,682	695,822	553,522
Probable Reserves	865,857	127,750	59,800	33,633	Probable Reserves	807,345	109,101	52,172	31,075
Total 2P (Proved+Probable) Reserves	3,271,175	1,223,866	888,486	695,202	Total 2P (Proved+Probable) Reserves	2,973,386	1,037,784	747,993	584,597
Possible Reserves	874,416	66,267	20,507	7,050	Possible Reserves	806,696	50,304	14,706	4,997
Total 3P (Proved+Probable+Possible) Reserves	4,145,591	1,290,132	908,993	702,251	Total 3P (Proved+Probable+Possible) Reserves	3,780,082	1,088,088	762,700	589,594

Sensitivity / Category	Present value discounted at 0%	Present value discounted at 10%	Present value discounted at 15%	Present value discounted at 20%	Sensitivity / Category	Present value discounted at 0%	Present value discounted at 10%	Present value discounted at 15%	Present value discounted at 20%
<b>15% increase in gas sales volume</b>					<b>15% decrease in gas sales volume</b>				
1P (Proved) Reserves	2,397,950	1,128,133	858,491	687,761	1P (Proved) Reserves	2,046,980	880,128	659,827	525,011
Probable Reserves	866,418	134,678	63,507	35,433	Probable Reserves	761,224	104,925	51,217	31,204
Total 2P (Proved+Probable) Reserves	3,264,368	1,262,811	921,998	723,194	Total 2P (Proved+Probable) Reserves	2,808,203	985,053	711,045	556,216
Possible Reserves	858,821	71,517	23,014	8,140	Possible Reserves	758,573	47,520	13,979	4,818
Total 3P (Proved+Probable+Possible) Reserves	4,123,189	1,334,328	945,011	731,334	Total 3P (Proved+Probable+Possible) Reserves	3,566,776	1,032,574	725,023	561,033
<b>20% increase in gas sales volume</b>					<b>20% decrease in gas sales volume</b>				
1P (Proved) Reserves	2,405,051	1,157,080	885,021	710,968	1P (Proved) Reserves	1,929,151	832,592	624,789	497,412
Probable Reserves	844,055	139,931	67,091	37,469	Probable Reserves	715,024	100,729	50,259	31,340
Total 2P (Proved+Probable) Reserves	3,249,106	1,297,011	952,112	748,437	Total 2P (Proved+Probable) Reserves	2,644,175	933,321	675,048	528,753
Possible Reserves	844,204	77,427	25,974	9,490	Possible Reserves	710,422	44,717	13,235	4,625
Total 3P (Proved+Probable+Possible) Reserves	4,093,310	1,374,438	978,086	757,927	Total 3P (Proved+Probable+Possible) Reserves	3,354,597	978,038	688,283	533,377

Set forth below is an analysis of sensitivity of the discounted cash flow to the main linkage components of the gas price according to the gas sale agreements in which the Tamar partners have engaged (the U.S. CPI and the Electricity Production Tariff) as of June 30, 2020 (dollars in thousands) which was performed by the Company<sup>19</sup>:

Sensitivity / Category	Present value discounted at 0%	Present value discounted at 10%	Present value discounted at 15%	Present value discounted at 20%	Sensitivity / Category	Total	Present value discounted at 10%	Present value discounted at 15%	Present value discounted at 20%
<b>10% increase in the CPI forecast</b>					<b>10% decrease in the CPI forecast</b>				
1P (Proved) Reserves	2,403,052	1,024,077	765,982	608,663	1P (Proved) Reserves	2,399,814	1,022,149	764,452	607,429
Probable Reserves	901,035	118,374	54,822	31,420	Probable Reserves	901,049	118,386	54,834	31,431
Total 2P (Proved+Probable) Reserves	3,304,087	1,142,451	820,804	640,083	Total 2P (Proved+Probable) Reserves	3,300,863	1,140,536	819,286	638,860
Possible Reserves	903,048	55,941	16,218	5,403	Possible Reserves	903,047	55,940	16,218	5,403
Total 3P (Proved+Probable+Possible) Reserves	4,207,135	1,198,392	837,022	645,486	Total 3P (Proved+Probable+Possible) Reserves	4,203,910	1,196,476	835,504	644,263
<b>10% increase in the Electricity Production Tariff forecast</b>					<b>10% decrease in the Electricity Production Tariff forecast</b>				
1P (Proved) Reserves	2,413,027	1,030,438	771,284	613,182	1P (Proved) Reserves	2,400,534	1,022,549	764,756	607,661
Probable Reserves	900,979	118,312	54,760	31,361	Probable Reserves	901,046	118,384	54,832	31,429
Total 2P (Proved+Probable) Reserves	3,314,006	1,148,750	826,044	644,542	Total 2P (Proved+Probable) Reserves	3,301,580	1,140,933	819,587	639,091
Possible Reserves	903,049	55,939	16,215	5,400	Possible Reserves	903,047	55,940	16,218	5,403
Total 3P (Proved+Probable+Possible) Reserves	4,217,054	1,204,689	842,259	649,942	Total 3P (Proved+Probable+Possible) Reserves	4,204,627	1,196,874	835,805	644,494

<sup>19</sup> Although the Electricity Production Tariff is affected, *inter alia*, by the CPI, such effect was not taken into account in the sensitivity analysis in the table below.

Set forth below is an analysis of sensitivity of the discounted cash flow to the sale of quantities exceeding the minimum quantities (“take or pay”) according to the gas sale agreements in which the Company has engaged as of June 30, 2020 (dollars in thousands) which was performed by the Company:

Sensitivity / Category	Total	Present value discounted at 10%	Present value discounted at 15%	Present value discounted at 20%	Sensitivity / Category	Total	Present value discounted at 10%	Present value discounted at 15%	Present value discounted at 20%
<b>10% increase in the gas sales volume in respect of quantities exceeding the “take or pay”</b>					<b>10% decrease in the gas sales volume in respect of quantities exceeding the “take or pay”</b>				
1P (Proved) Reserves	2,401,205	1,059,691	794,186	630,304	1P (Proved) Reserves	2,232,033	971,452	731,842	584,606
Probable Reserves	891,378	127,341	59,342	33,499	Probable Reserves	805,390	107,750	51,023	30,088
Total 2P (Proved+Probable) Reserves	3,292,583	1,187,032	853,528	663,803	Total 2P (Proved+Probable) Reserves	3,037,423	1,079,202	782,866	614,694
Possible Reserves	881,440	63,824	19,412	6,597	Possible Reserves	806,606	50,230	14,641	4,939
Total 3P (Proved+Probable+Possible) Reserves	4,174,023	1,250,856	872,940	670,400	Total 3P (Proved+Probable+Possible) Reserves	3,844,028	1,129,432	797,506	619,633

Set forth below is an analysis of sensitivity of the discounted cash flow to the Brent barrel price as of June 30, 2020 (dollars in thousands) which was performed by the Company<sup>20</sup>:

Sensitivity / Category	Present value discounted at 0%	Present value discounted at 10%	Present value discounted at 15%	Present value discounted at 20%	Sensitivity / Category	Present value discounted at 0%	Present value discounted at 10%	Present value discounted at 15%	Present value discounted at 20%
<b>10% increase in the Brent forecast</b>					<b>10% decrease in the Brent forecast</b>				
1P (Proved) Reserves	2,443,976	1,046,322	783,410	622,954	1P (Proved) Reserves	2,338,026	997,758	746,579	593,403
Probable Reserves	920,360	120,867	55,672	31,649	Probable Reserves	875,966	115,580	53,866	31,140
Total 2P (Proved+Probable) Reserves	3,364,336	1,167,189	839,081	654,603	Total 2P (Proved+Probable) Reserves	3,213,991	1,113,338	800,445	624,543
Possible Reserves	919,703	57,328	16,628	5,526	Possible Reserves	880,682	54,598	15,850	5,300
Total 3P (Proved+Probable+Possible) Reserves	4,284,039	1,224,517	855,710	660,129	Total 3P (Proved+Probable+Possible) Reserves	4,094,674	1,167,935	816,295	629,843

<sup>20</sup> Includes the effect of the Brent Price on: (1) the prices of condensate and natural gas that are linked to the Brent Price, subject to the terms and conditions of the agreements; (2) the quantities in the Export to Egypt Agreement which decreased as a function of the Brent Price in accordance with the provisions of Footnote 12 above. Concurrently, in the years in which there was a decrease in the quantities in the Export to Egypt Agreement, an assumption was made of a certain decrease in the sold quantities in the domestic market, in accordance with the Company's assumptions of the possible effect of the decrease in the gas quantities expected to be sold to Egypt in accordance with the existing agreements of the Tamar and Leviathan reservoirs on the increase in the supply of natural gas and increased competition in the domestic market in the said years. It is emphasized that in the sensitivity analysis, no adjustments were made to the operating expenses and investment forecasts in accordance with the changes in the sale quantities.

a. Agreement between the report data and data of previous reports in respect of the quantity of reserves attributed to the petroleum asset

The main differences between the present Reserves Report and the Previous Reserves Report derive from the production of approx. 120 BCF of natural gas and approx. 157.5 thousand barrels of condensate which was performed during the first half of 2020, and from an update of the reservoir model, based on the production data, which indicated a rise in the quantity of proved (1P) reserves in the project, despite the production stated above, by approx. 2% from approx. 7.7 TCF and approx. 10.1 million barrels of condensate in the previous report, to approx. 7.9 TCF and approx. 10.3 million barrels of condensate in the present report.

b. Production data

Set forth below are production data in the Tamar Project which are attributed to the Company in 2017-2019 and in the first two quarters of 2020:

<u>Natural Gas<sup>21</sup></u>						
		Y2017	Y2018	Y2019	Q1/2020	Q2/2020 <sup>22</sup>
Total output (100%) in the period (in MMCF)		343,043	363,951	368,710	71,141	48,578
Total output (attributed to the holders of the equity interests of the Company) during the period (in MMCF)		31,732	55,881	61,759	11,916	8,137
Average price per output unit (attributed to the holders of the equity interests of the Company) (dollars per MCF) <sup>23</sup>		5.41	5.49	5.59	5.35	5.05
Average royalties (any payment derived from the output of the producing asset, including from the gross revenues from the petroleum asset) paid per output unit (attributed to the holders of the equity interests of the Company) (dollars per MCF)	The State	0.61	0.61	0.64	0.61	0.56
	Third Parties	0.10	0.06	0.06	0.10	0.12
	Interested Parties	0.15	0.21	0.22	0.17	0.12 <sup>24</sup>
Average production costs per output unit (attributed to the holders of the equity interests of the Company) (dollars per MCF)		0.37	0.39	0.46	0.34	0.55
Average net income per output unit (attributed to the holders of the equity interests of the Company) (dollars per MCF)		4.18	4.22	4.21	4.13	3.70
Oil and gas profit levy		-	-	-	-	-
Average net income per output unit after the oil and gas profit levy (attributed to the holders of the equity interests of the Company) (dollars)		4.18	4.22	4.21	4.13	3.70

<sup>21</sup> The data presented in the table above in relation to the share attributed to the holders of the equity interests of the Company in the average price per output unit, in the royalties paid, in the production costs and in the net income, were rounded off up to two digits after the decimal point.

<sup>22</sup> The production data for Q2/2020 are based on non-reviewed financial data.

<sup>23</sup> The average price per output unit weights the actual price of the Company which includes an outline for the sale of natural gas between the Tamar Project and the Yam Tethys project. See Section 7.2.9 of Chapter A of the Periodic Report in this regard.

<sup>24</sup> As a result of the sale of the holdings of Delek Group Ltd. in Cohen Development Gas & Oil Ltd. (one of the royalty interest owners) to third parties which was performed in April 2020, the latter has ceased to be an interested party of the Company.

per MCF)					
Depletion rate in the reported period relative to the total gas quantities in the project (in %) <sup>25</sup>	3.44	3.29	3.31	0.66	0.45

<b>Condensate<sup>26</sup></b>						
		<b>Y2017</b>	<b>Y2018</b>	<b>Y2019</b>	<b>Q1/2020</b>	<b>Q2/2020<sup>27</sup></b>
Total output (100%) in the period (in MMCF)		455.1	470.1	482.3	92.7	64.8
Total output (attributed to the holders of the equity interests of the Company) during the period (in barrels in thousands)		42.1	73.2	80.8	15.5	10.9
Average price per output unit (attributed to the holders of the equity interests of the Company) (dollars per barrel)		47.5	63.4	56.4	33.9	28.2
Average royalties (any payment derived from the output of the producing asset, including from the gross revenues from the petroleum asset) paid per output unit (attributed to the holders of the equity interests of the Company) (dollars per barrel)	The State	5.3	7.1	6.5	3.9	3.1
	Third Parties	0.8	0.7	0.6	0.6	0.7
	Interested Parties	1.4	2.3	2.2	1.1	0.7 <sup>28</sup>
Average production costs per output unit (attributed to the holders of the equity interests of the Company) (dollars per barrel)		2.0	2.1	2.5	1.9	3
Average net income per output unit (attributed to the holders of the equity interests of the Company) (dollars per barrel)		38	51.2	44.6	26.4	20.7
Oil and gas profit levy		-	-	-	-	-
Average net income per output unit after the oil and gas profit levy (attributed to the holders of the equity interests of the Company) (dollars per barrel)		38	51.2	44.6	26.4	20.7
Depletion rate in the reported period relative to the total condensate quantities in the project (in %) <sup>29</sup>		3.5	3.3	3.3	0.66	0.45

<sup>25</sup> The depletion rate is the rate of natural gas produced in the relevant reporting period, out of the balance of proved and probable reserves as of the beginning of such reporting period or as of the date of commencement of production, whichever is later. The said depletion rate is calculated at the end of the year and not in the course thereof.

<sup>26</sup> The data presented in the table above in relation to the share attributed to the holders of the equity interests of the Company in the average price per output unit, in the royalties paid, in the production costs and in the net income, were rounded off up to one digit after the decimal point.

<sup>27</sup> The production data for Q2/2020 are based on non-reviewed financial data.

<sup>28</sup> See Footnote 24 above.

<sup>29</sup> The quantity of condensate produced from the Tamar Project derives directly from the quantity of natural gas produced from the project.



c. Opinion of the evaluator

A reserve report for the Tamar Project (which includes the Tamar and Tamar SW reservoirs) prepared by NSAI as of June 30, 2020, and NSAI's consent to the inclusion thereof in this report, is attached hereto as Annex A.

d. Management declaration

- (1) Date of the declaration: August 3, 2020;
- (2) Name of the corporation: Tamar Petroleum Ltd.;
- (3) Name and position of the resource evaluation officer at the Company: Eitan Meir, Chairman of the Board;
- (4) We confirm that the evaluator was provided with all of the data required for performance of its work;
- (5) We confirm that no information has come to our attention which indicates the existence of dependency between the evaluator and the Company;
- (6) We confirm that, to the best of our knowledge, the resources reported are the best and most current estimates in our possession;
- (7) We confirm that the data included in this report were prepared according to the professional terms listed in Chapter G of the Third Schedule to the Securities Regulations (Details of the Prospectus and Draft Prospectus – Structure and Form), 5729-1969 and within the meaning afforded thereto in Petroleum Resources Management System (2018), as published by the SPE, the AAPG, the WPC and the SPEE, as being at the time of release of the report;
- (8) We confirm that no change has been made to the identity of the evaluator who performed the last contingent resource or reserve disclosure released by the Company;
- (9) We agree to the inclusion of the foregoing declaration in this report.

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Eitan Meir, Chairman of the Board

**The partners in the Tamar Project and their holding rates are as follows:**

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

Sincerely,  
**Tamar Petroleum Ltd.**

By Liami Vaisman, CEO  
and Yuval Raikin, CFO