

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

May 31, 2020

Israel Securities Authority  
22 Kanfei Nesharim Street  
Jerusalem

Tel Aviv Stock Exchange Ltd.  
2 Ahuzat Bayit Street  
Tel Aviv

Via Magna

Dear Sir/Madam,

Re: **Update regarding an arrangement for joint marketing from Tamar reservoir**

Following the Company's immediate report of April 16, 2020 (Ref.: 2020-01-034243) regarding the notice by the representatives of the Ministry of Energy, the Economic Division at the Counseling and Legislation Department of the Ministry of Justice, the Ministry of Finance and the Competition Authority (the "**Regulators**"), whereby the Tamar reservoir partners were required to amend the current arrangements between them in respect of the marketing of natural gas which is produced from Tamar reservoir in a manner that will guarantee that Delek Drilling Limited Partnership, Noble Energy Mediterranean Ltd. and Isramco Negev 2 Limited Partnership will have no veto right in respect of decisions regarding the marketing of natural gas from the reservoir, the Company respectfully updates that on May 27, 2020, the partners in Tamar project submitted for the Regulators' approval an agreed framework of principles for the joint marketing from Tamar reservoir (the "**Marketing Arrangement**"), whereby the partners in Tamar reservoir will continue the joint marketing of natural gas from Tamar reservoir. The Marketing Arrangement includes various arrangements and mechanisms to secure the rights of the parties and improve the competitive position of Tamar reservoir in the marketing of natural gas to customers in the domestic market. The said arrangements and mechanisms determine, *inter alia*, the manner of and parameters for negotiations with customers in the domestic markets regarding certain commercial matters pertaining to prices, price linkage and take or pay levels standard in the domestic market, without the participation of the partners in the reservoir which hold other producing oil assets, as well as the parameters and conditions for engagements with customers in the domestic market in agreements for the sale of natural gas.

The partners in Tamar reservoir further updated the Regulators that they have reached in-principle understandings between them and with the Leviathan partners regarding the issues which were in dispute between them in respect of the agreements for the sale of natural gas to Israel Electric Company Ltd. ("**IEC**"), and that advanced discussions are being held with IEC regarding the implementation of the said understandings.

**The partners in the Tamar project and their holding rates 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 Infrastructures, Limited Partnership	3.50%

Sincerely,

**Tamar Petroleum Ltd.**

By Liami Weissman, CEO and  
Yuval Raikin, CFO