

Avner Oil Exploration - Limited Partnership
(the "Partnership")

September 26, 2016

To:
Israel Securities Authority
22 Kanfey Nesharim st.
Jerusalem 95464

To:
Tel-Aviv Stock Exchange Ltd.
2 Ahuzat Bayit st.
Tel-Aviv 65202

Dear Sirs,

Re: Signing of an Agreement for Export of Natural Gas from the Leviathan Project to the National Electric Power Company of Jordan

Further to article 7.13.5(b)(2) of the Partnership's periodic report dated 31.12.2015 which was published on 28.3.2016 (reference number 2016-01-016143), regarding the signing of a letter of intent for export of natural gas from the Leviathan project to Jordan, we hereby inform as follows:

On September 26, 2016, a detailed agreement for the supply of natural gas was signed between NBL Jordan Marketing Limited (hereinafter: the "**Marketing Company**") and the National Electric Power Company of Jordan (hereinafter: "**NEPCO**" and the "**Export Agreement**", respectively). The Marketing Company is a wholly owned subsidiary of the partners in the Leviathan project, including the Partnership (hereinafter: the "**Leviathan Partners**"), which hold it in proportion to their interests in the Leviathan project.

According to the Export Agreement, the Marketing Company undertook to supply to NEPCO natural gas for a period ending on the earlier of 15 years after the commencement of the commercial supply or when the total quantities supplied will be approximately 45 BCM (billion cubic meters) (hereinafter: the "**Total Contract Quantity**"). The supply of gas under the Export Agreement is expected to begin with the commencement of the supply from the Leviathan reservoir and the completion of the transportation systems necessary for the delivery of natural gas to NEPCO in Israel and Jordan.

The Export Agreement stipulates that the natural gas will be delivered to NEPCO at the exit of the Israeli transportation system at the border between Israel and Jordan. NEPCO undertook to Take or Pay for a minimum annual quantity of gas, in such quantity and in accordance with the mechanism as stipulated in the Export Agreement. The price of gas stipulated in the Export Agreement is based on a Brent linked price and includes a "floor price" and a transportation price. The Leviathan Partners estimate that the cumulative revenues from the sale of natural gas to NEPCO may amount to approximately 10 billion US dollars, assuming that NEPCO will consume the Total Contract Quantity, and based on the Partnership's estimation regarding the price of the natural gas during the term of the agreement. It should be clarified that the actual revenues will be derived from a variety of factors, including

the quantities of gas actually purchased by NEPCO and the Brent prices at the time of the sale.

The Export Agreement includes a number of conditions precedent, mainly the Leviathan Partners taking a final investment decision (FID) for the development of the Leviathan field, the receipt of regulatory and governmental approvals in Israel and in Jordan, the signing of a transportation agreement between the Marketing Company and INGL and the signing of a transportation agreement between NEPCO and the Jordanian transportation company (FAJR). The Marketing Company will purchase the gas from the Leviathan Partners on the terms of the Export Agreement ("back-to-back").

Forward Looking Information Warning:

The above mentioned estimations, including with regard to the total monetary scope of the Export Agreement, constitute Forward Looking Information as such term is defined in the Securities Law-1968, and there is no certainty that such information will be realized, due to various factors including non-fulfillment of the conditions precedent in the Export Agreement, fully or partially, changes in the scope, pace and timing of natural gas consumption by NEPCO, changes in the gas price due to changes in the price of Brent oil barrel etc.

The partners in the Leviathan Project and their interests are as follows:

Noble Energy Mediterranean Ltd.	39.66%
Delek Drilling – Limited Partnership	22.67%
Avner Oil Exploration – Limited Partnership	22.67%
Ratio Oil Exploration (1992) – Limited Partnership	15%

Respectfully,

Avner Oil and Gas Ltd.
The General Partner in Avner Oil Exploration - Limited
Partnership

By Yossi Abu, CEO
and Irit Shadar Tobias, VP, General Counsel
and Company Secretary