

Press Release

7 December 2017

**Energean signs further Gas Sales Contracts and moves closer to FID for the Karish and Tanin Development Project**

*The new GSPAs will bring total contracted volumes from the Karish and Tanin development project to more than 4 BCM per year, surpassing the Company's initial targeted sales volumes and creating significant additional value.*



*From left to right: Giora Almogi- CEO, OPC, Ovadia Ali – Chairman of Board, ORL, Mathios Rigas – CEO, Energean, Asher Grinbaum – CEO, ICL, Yashar Ben Mordechi – CEO, ORL*

Energean Oil & Gas (“Energean” or “the Company”) is pleased to announce that Energean Israel has signed further Gas Sales and Purchase Agreements (“GSPAs”) for natural gas supply from the Karish and Tanin fields, offshore Israel.

GSPAs totalling up to 2.6 billion cubic metres (“BCM”) of natural gas annually have been signed with one of the largest industrial groups in Israel, comprising Israel Chemicals (NYSE and TASE: ICL), Bazan Oil Refineries (TASE:ORL) and the independent power producer OPC. In addition, a GSPA totalling up to 0.3 BCM has also been signed with Rapac Group, a leading group focusing on Telecom, Government and Energy & Infrastructure in Israel.

The new GSPAs, together with those already signed with Dalia Group, Dorad Group and Edeltech Group, bring the annual total committed purchase volume to more than 4 BCM per year of natural gas from the Karish and Tanin fields providing further momentum to progress to FID, targeted for early 2018.

**Energean Oil & Gas CEO, Mathios Rigas**, commented: “In just one year since the Israeli Government granted its approval for the acquisition of the Karish and Tanin fields, Energean has succeeded in securing its targeted gas supply volume to help de-risk the project. Some of the leading private Israeli companies have seized the opportunity to buy gas at an attractive price and Energean has brought competition to the market for the benefit of Israeli consumers and the country’s economy.

“These supply commitments, surpassing our initial 3 BCM per year target, demonstrate the strength of the local gas demand and we look forward to unlocking the significant further potential of these fields. We are aiming to progress with FID early in 2018 and our focus now lies in moving ahead on all related project milestones to deliver first gas as planned.”



*From left to right -Beni Sarig – CEO, RD-RAPAC Group, Rony Oren – CEO, RAPAC Group, Mathios Rigas – CEO, Energean*

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