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**Ithaca Energy Inc.**

**GSA Acquisitions**

**24 August 2018**

Ithaca Energy Limited (IAECN: ISINs US465676AA22 / USC48677AA34) (the “Company”) announces it has entered into agreements to acquire all the Greater Stella Area (“GSA”) licences and associated infrastructure interests of Dyas UK Limited (“Dyas”) and Petrofac Limited (“Petrofac”). The acquisition materially increases the Company’s production and reserves base, while simultaneously delivering full control and flexibility over the long term development of the GSA production hub.

As a result of the transactions, the Company’s pro-forma 2018 production is forecast to increase by approximately 50% to 22,000 barrels of oil equivalent per day, with pro-forma 2018 unit operating costs forecast to reduce to approximately \$18 per barrel of oil equivalent.

Based on the most recent independent reserves evaluation performed by Sproule International Limited (“Sproule”), the transactions are estimated to increase the Company’s proven and probable (“2P”) reserves as of 31 December 2017 by over 20 million barrels of oil equivalent.

The effective date of the acquisition is 1 January 2018 (“Effective Date”), with the consideration paid at completion being subject to conventional adjustments to reflect the income and costs associated with the assets since the Effective Date. The transactions are expected to complete around the end of 2018 and are subject to customary regulatory approvals.

In aggregate, the transaction consideration reflects payments associated with the acquisition of the assets of \$190 million and a revision and rescheduling of Ithaca’s existing \$140 million deferred payments to Petrofac that resulted from completion of the “FPF-1” modifications programme and the Company’s accrual of associated capital allowances.

In summary, the consideration payable comprises an initial payment at completion of the transaction, which is forecast to total approximately \$130 million (net of estimated interim period cashflows of \$80 million), plus deferred payments of \$120 million payable over the period 2020 to 2023. Dependent on the future performance of the Stella and Harrier fields, Petrofac also has the opportunity to earn up to an additional \$28 million by 2023.

The transaction is to be funded from an increased and extended RBL facility.

**Further Information**

The transaction involves the acquisition of all Dyas’ and Petrofac’s interests in the licences noted in the following table and each company’s interests in FPF-1 Limited, the company that owns the FPF-1 floating production facility that is used on the GSA production hub. In addition, the transaction includes the transfer of Dyas’ interests in the Ithaca-operated (non-producing) Jacky and Athena licences.

By obtaining full ownership of the GSA fields and also the FPF-1 floating production facility, the Company will benefit from both the value of the hydrocarbons produced from those fields as well as the income generated by the FPF-1 for the provision of host processing services for third party production from fields such as Vorlich and any potential future satellite feeder fields.

Asset	Licence	Dyas Interest	Petrofac Interest	Ithaca Interest Post Transactions
FPF-1 Limited	-	25.34%	24.8%	100%
Stella / Harrier	P.011	25.34%	20%	100%
Hurricane	P.1665 / P.2190	25.34%	20%	100%
Jacky	P.1392	47.5%	-	100%
Athena	P.1293	17.5%	-	40%

### H1-2018 Financial Results

The Company is scheduled to issue its financial results for the first half of the year on 28 August 2018. A conference call and webcast will be held at 12.00 (UK time) on that day, with a playback facility being made available on the Company's website later in the day.

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### Notes

The Company's reserves as of 31 December 2017 have been independently evaluated by Sproule, a qualified reserves evaluator, in accordance with the Canadian Oil and Gas Evaluation Handbook pursuant to NI 51-101 – Standards of Reserves Disclosures for Oil and Gas Activities, which comply in all material respects with the definitions and guidelines set forth in the 2007 Petroleum Resources Management System approved by the Society of Petroleum Engineers.

References herein to barrels of oil equivalent ("boe") are derived by converting gas to oil in the ratio of six thousand cubic feet ("Mcf") of gas to one barrel ("bbl") of oil. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1 bbl is based on an energy conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6 Mcf :1 bbl, utilising a conversion ratio at 6 Mcf :1 bbl may be misleading as an indication of value.

All values in this release and the Company's financial disclosures are in US dollars, unless otherwise stated.

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### About Ithaca Energy

Ithaca Energy Limited is a North Sea oil and gas operator focused on the delivery of lower risk growth through the appraisal and development of UK undeveloped discoveries and the exploitation of its existing UK producing asset portfolio. The Company is a wholly owned subsidiary of the Tel Aviv stock exchange listed Delek Group Limited (TASE: DLEKG, US ADR: DGRLY), Israel's leading integrated energy company. For further information please consult the Company's website [www.ithacaenergy.com](http://www.ithacaenergy.com).

**Forward-looking Statements**

This press release contains projections, information and other forward-looking statements (collectively “forward looking statements”) regarding future events and the Company’s future performance. All statements and information other than present and historical facts contained in this release are forward looking. When used in this press release, the words and phrases like “forecast”, “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “plan”, “should”, “believe”, “could”, “target”, “in the process of”, “on track” and similar expressions, and the negatives thereof, whether used in connection with production forecasts, operational activities, drilling plans, anticipated timing for the commencement of production from new fields and wells, budgetary figures, future operating costs, financing activities, anticipated net debt, anticipated funding requirements and uses of available credit under the Company’s debt facilities, potential developments including the timing and anticipated benefits of acquisitions and dispositions or otherwise, expected future payments in connection with such acquisitions and dispositions, statements relating to reserves, or otherwise, are intended to identify forward-looking statements. Forward-looking statements are based on the Company’s current internal expectations, estimates, projections, assumptions and beliefs, including, among other things, assumptions with respect to production, drilling, construction and maintenance times, well completion times, risks associated with operations, future capital and operating expenditures, financing activities, continued availability of financing for future capital expenditures, future acquisitions and dispositions and cash flow, required regulatory, partner and other third party approvals. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. Such statements are not promises or guarantees and are subject to known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable at the date of this press release but no assurance can be given that these expectations, or the assumptions underlying these expectations, will prove to be correct and such forward-looking statements included in this press release should not be unduly relied upon. Ithaca expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any forward-looking statement is based except as required by applicable securities laws.

Additional information on these and other factors that could affect Ithaca’s operations and financial results are included in the Company’s Management Discussion and Analysis for the three months ended 31 March 2018 and in reports which are on file on the Company’s website ([www.ithacaenergy.com](http://www.ithacaenergy.com)).