

An aerial photograph of a large offshore oil platform in the middle of a vast blue ocean. The platform is a complex of steel structures, including a central processing area with several tall cranes. A prominent feature is a long, lattice-structured jacking crane that extends diagonally from the platform towards the top right corner of the frame. The sky is clear and blue, and the water shows some ripples and a small wake in the distance.

RATIO OIL EXPLORATION (1992)

LIMITED PARTNERSHIP

.....
INVESTORS PRESENTATION
January 2020
.....

DISCLAIMER

This presentation was prepared by Ratio Oil Exploration (1992) – Limited Partnership (the “Partnership” or “Ratio”). It is not an offer to buy or sell securities of the Partnership, nor an invitation to receive such offers, and is designed, as aforesaid, for the provision of information only. The information used to make the presentation (the “Information”) is given for convenience purposes only and is neither a basis for making any investment decision, nor a recommendation nor an opinion, and is no substitute for the investor’s discretion.

Everything stated in this presentation with respect to an analysis of the Partnership’s business is merely a high-level summary, and it does not purport to be all-inclusive or to contain all of the information that may be relevant in making any decision concerning an investment in the securities of the Partnership. To obtain a full picture of the Partnership’s business and the risks facing the Partnership, review the Partnership’s Periodical and Immediate Reports, as filed with the Israeli Securities Authority and the Tel Aviv Stock Exchange on the Magna website, including warnings regarding forward-looking information, as defined in the Securities Law, 5728-1968, included therein.

Various issues addressed in this presentation, which include forecasts, goals, estimates, assessments and other information pertaining to future events and/or matters, whose materialization is neither certain nor within the Partnership’s control, including in connection with data, income forecasts, the value of the Partnership, costs of projects, development plans and concepts and construction thereof etc., are forward-looking information, as defined in the Israeli Securities Law. Such Information is based solely on the Partnership’s subjective assessment, based on facts and figures concerning the status of the Partnership’s business, and macro-economic facts and figures, all as are known to the Partnership on the date of preparation of this presentation. The materialization or non-materialization of the forward-looking information will be affected, inter alia, by risk factors characterizing the Partnership’s business, as well as by developments in the general environment and external factors affecting the Partnership’s business, third-party representations not materializing, delays in the receipt of permits, etc., which cannot be estimated in advance and are beyond the Partnership’s control. The Partnership’s results of operations may differ materially from the results estimated or implied from the aforesaid, inter alia due to a change in any one of the foregoing factors.

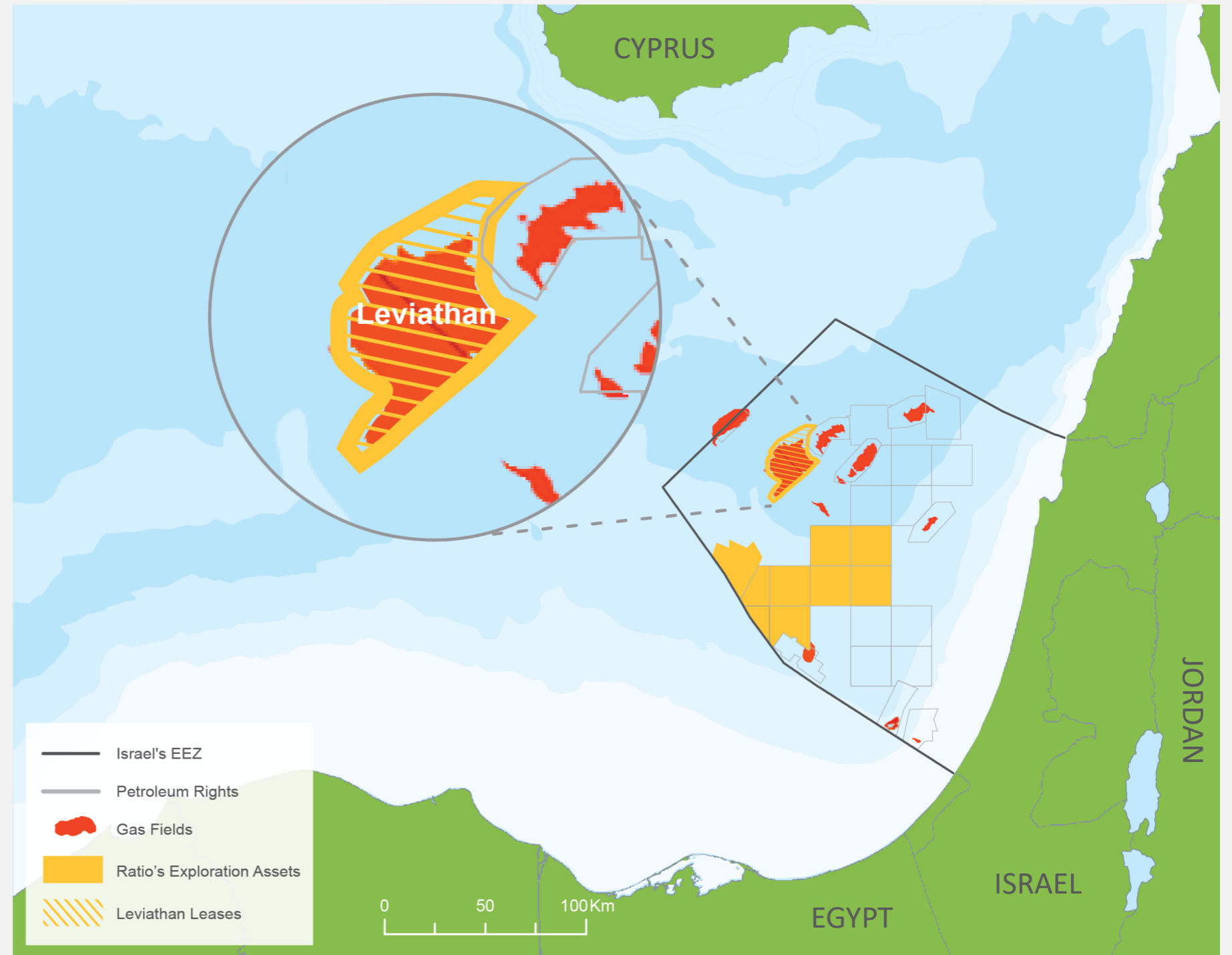
In addition, the data represented in the presentation relating to the proved undeveloped, probable, and possible reserves and future revenues is also forward-looking information based on reports received from an independent reserves evaluator, which may be updated as additional information accumulates and/or as a result of a range of factors related to natural gas production projects.

The Partnership does not undertake to update and/or change any data included in the presentation and/or forecasts and/or estimates to reflect events and/or circumstances occurring after the date of preparation of this presentation.

RATIO's ASSETS

Experienced Israeli E&P player, focused on deep-water hydrocarbon exploration & development in the East Med.

Prospect Generator and partner in the Leviathan field & significant holder of exploration acreage.



LEVIATHAN HIGHLIGHTS

The largest energy project in Israel's history in numbers:

- **130 KM** west of Haifa
- **1,700 m** water depth
- **649 BCM** Proved & Contingent Resources
- **\$ 3.6 Bn** Phase 1A Capex
- **12 BCM/A** Phase 1A processing capacity
- **7,000 people** from **25 countries**



On Time

Start-up on
December 31, 2019



Under Budget

Savings of over
than \$150 M



Regional Energy Anchor

Israel to become a significant natural gas exporter



Long Term Cash Flow

Substantial Net CF



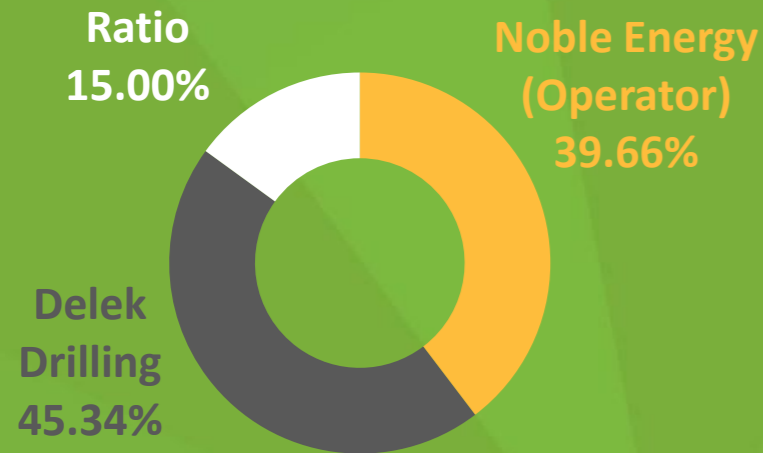
Growth Engines

Potential expansions &
Deep targets exploration

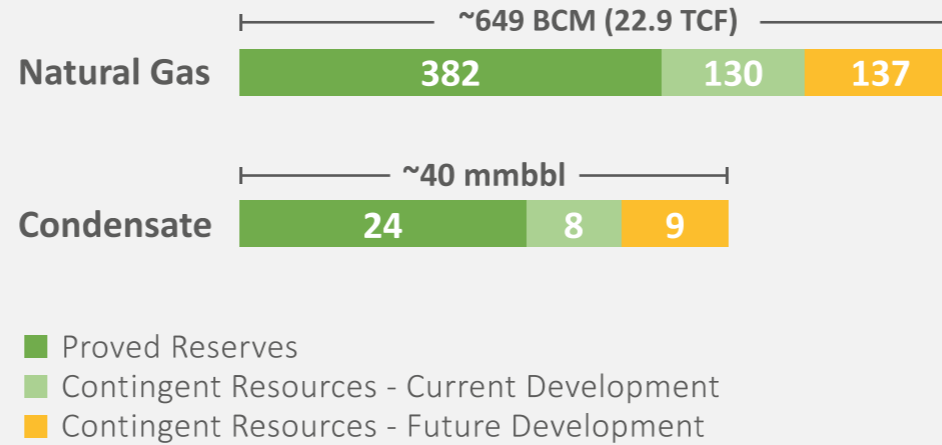


LEVIATHAN FIELD

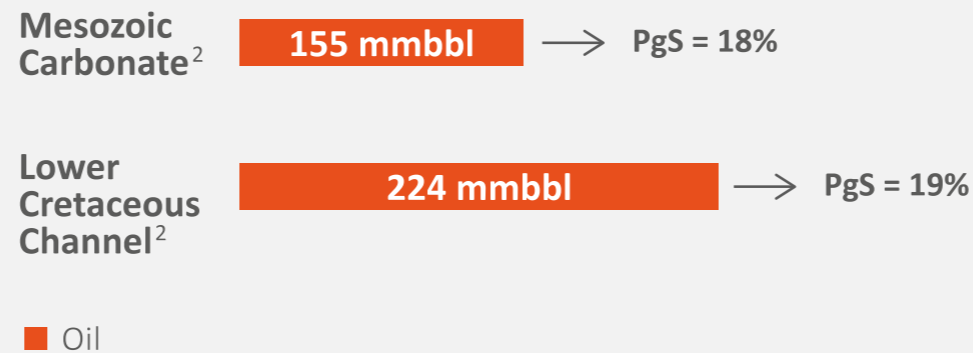
World class asset in terms of quantity, quality and potential for high production delivery.



Gross Reserves & Resources¹

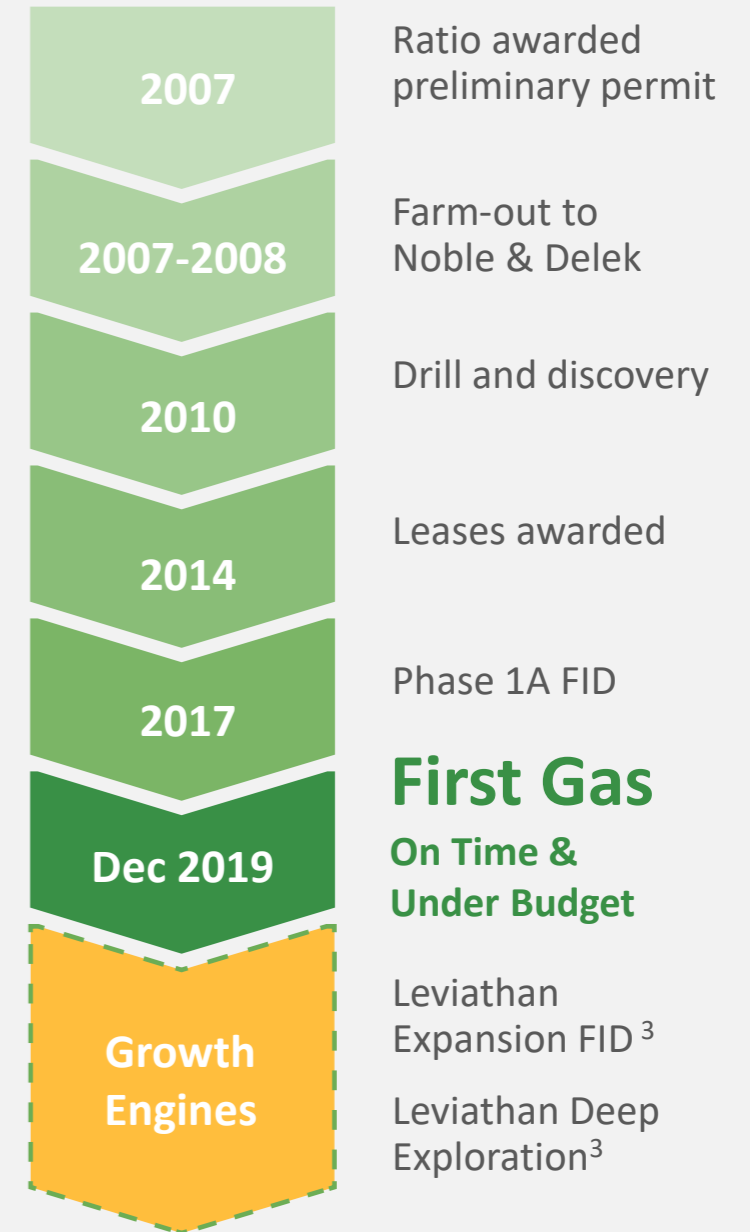


Gross Prospective Oil Resources²



- As per the Partnership's immediate report dated January 13, 2020, based on NSAI's 2P+2C estimate
- As per the Partnership's immediate report dated January 21, 2020, based on NSAI's P50 estimates
- Subject to Leviathan JV approvals

Leviathan Chronology



LEVIATHAN PHASED DEVELOPMENT

The JV is examining various alternatives to expand the platform's processing capacity up to 2.4 bcf/d.

Phase 1A – In Production On Time & Under Budget



FID
February 2017

First Gas Delivery
December 31st, 2019

Final Capex
\$3.6 Bn (gross)

Processing Capacity
~1.2 bcf/d

Markets
Israel, Jordan, Egypt
(domestic) & PA

Source: Noble Energy



DSMX
~ 1.6 bcf/d of Processing
Capacity



REM
~ 2.1-2.4 bcf/d of
Processing Capacity



Future Expansion

LEVIATHAN PROJECT IN 3 MINUTES

An Inside Look at the Leviathan Project

ISRAEL'S NATURAL GAS REVOLUTION

Forecast for extensive growth in the Natural Gas demand driven by structural reform in the electricity market along with regulatory & environmental changes.

Growth Engines



Increased
Electricity Demand



Further Coal
Reduction



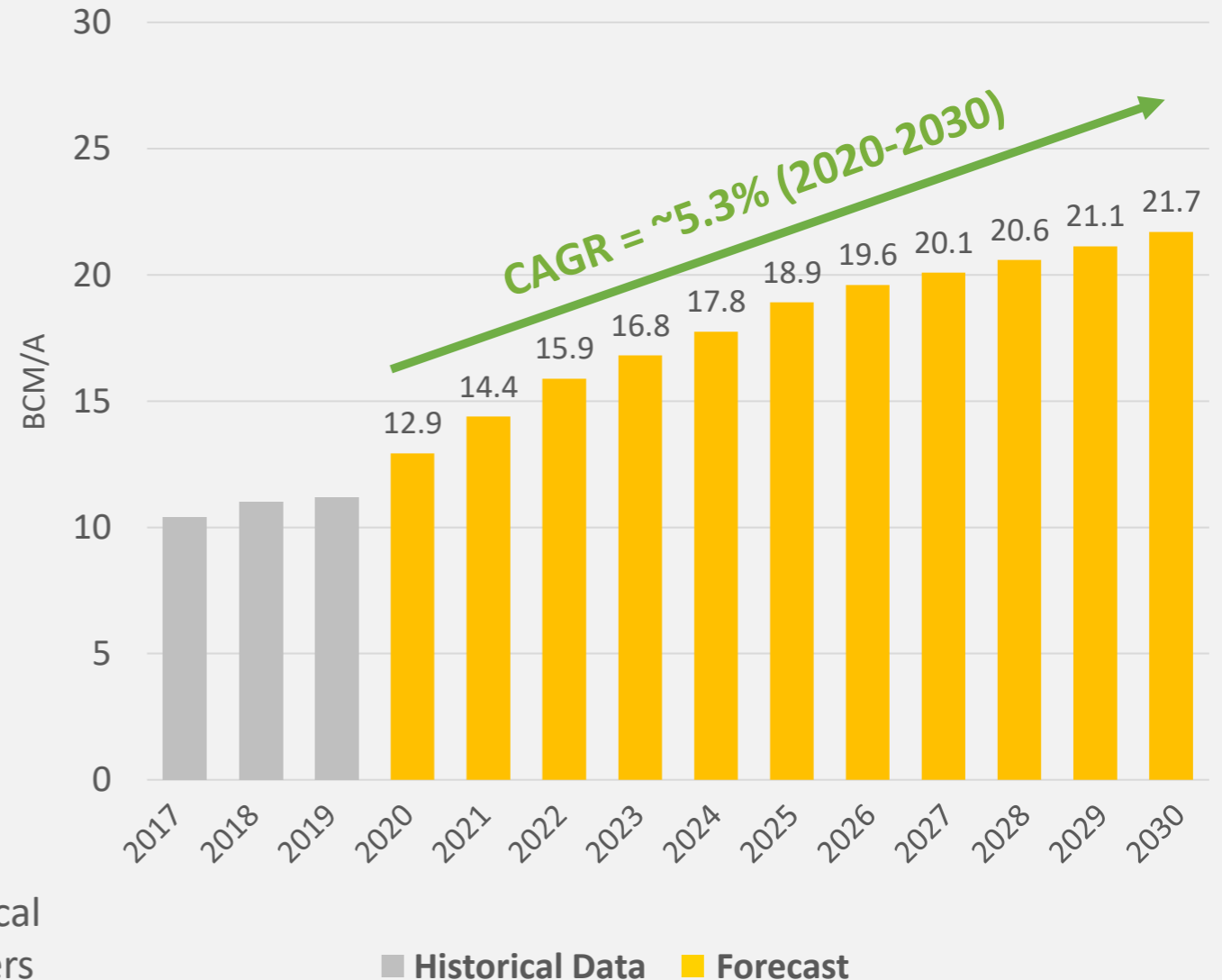
Industrial
Penetration



Chemical, CNG, Electrical
Transportation & Others

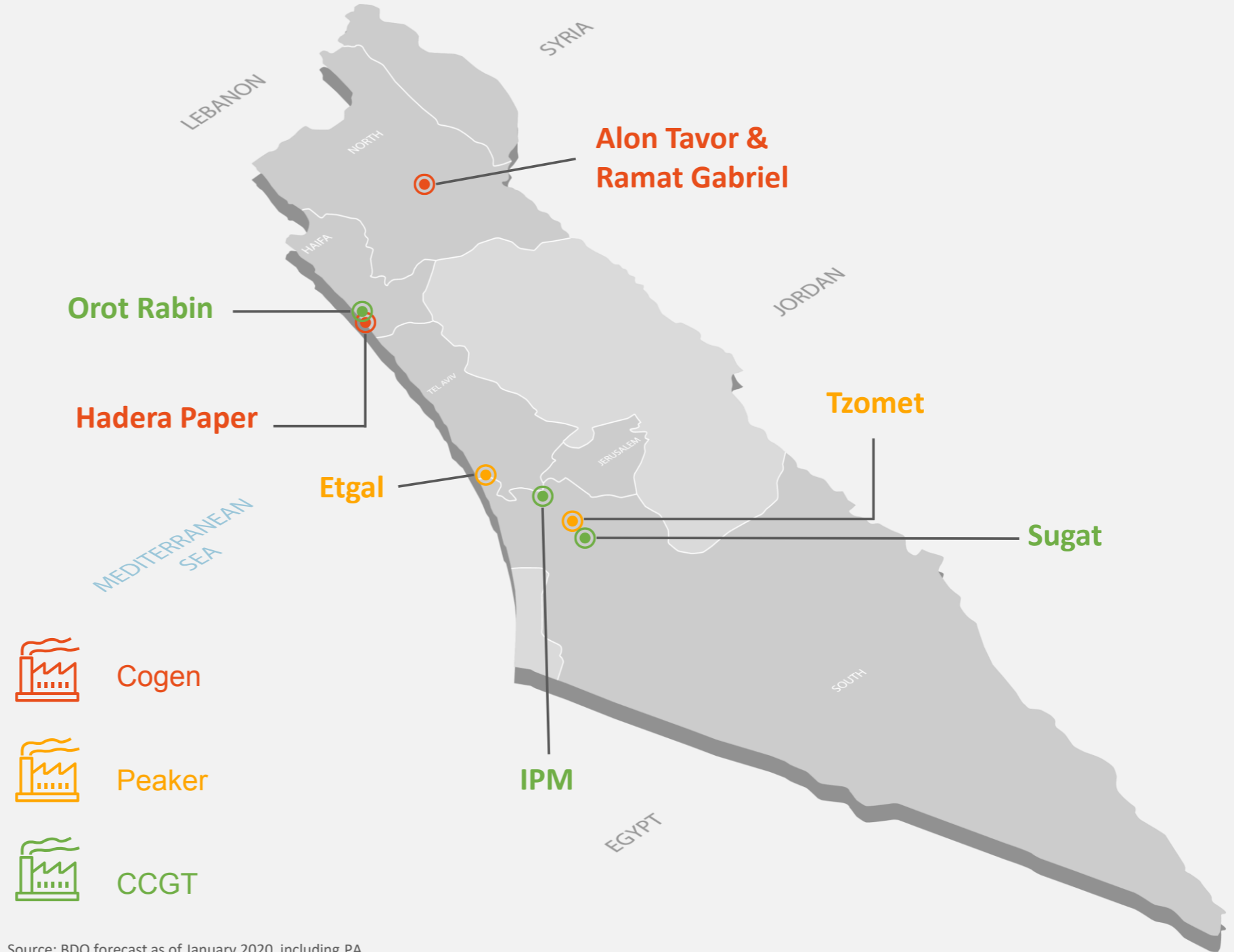


Natural Gas Demand Forecast



NEW GENERATION CAPACITY

In the upcoming years, new generation capacity will add ~4 BCM/A to the Natural Gas Demand forecast.



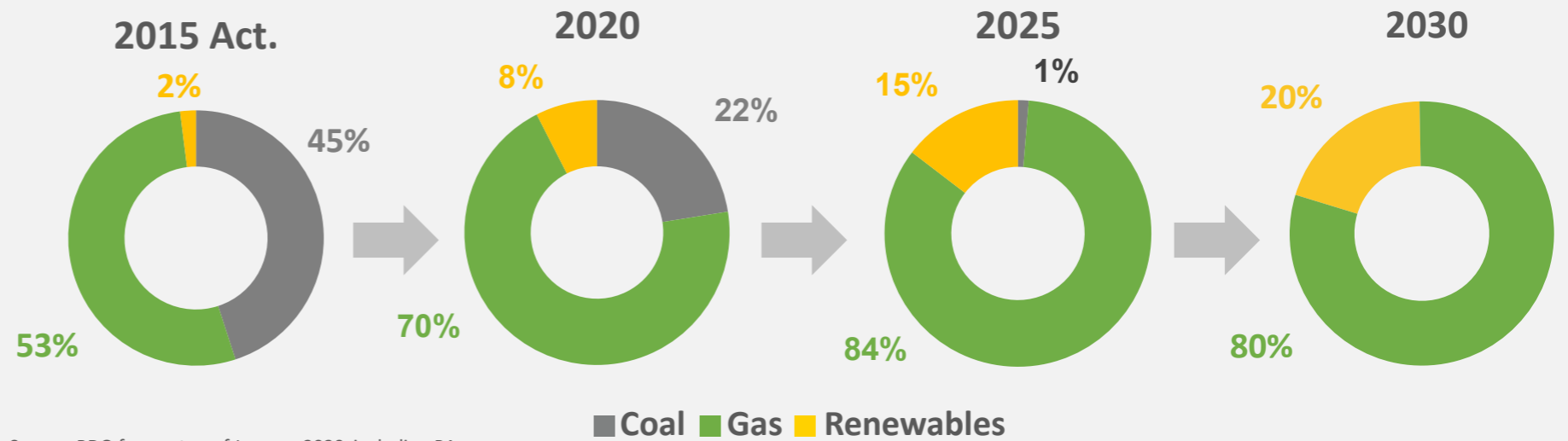
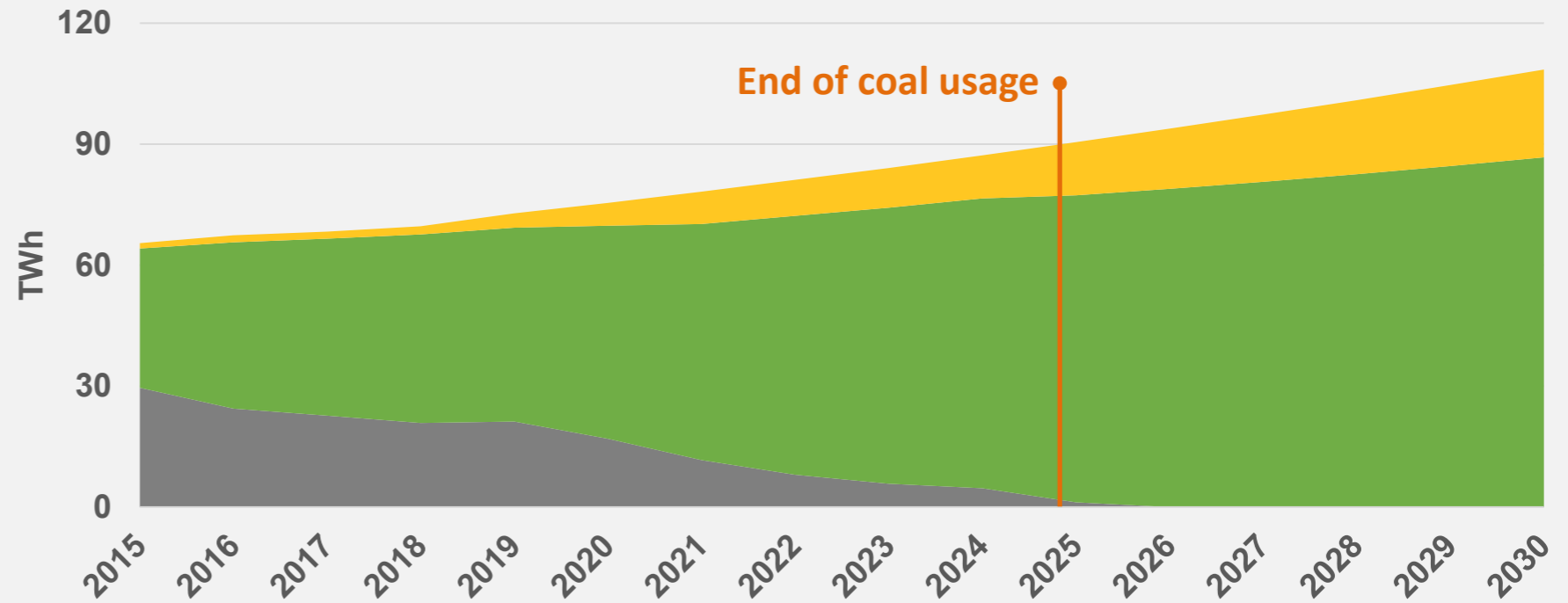
Source: BDO forecast as of January 2020, including PA

NATURAL GAS AS A PRIMARY ENERGY SOURCE

Israel will cease the use of coal by the end of 2025 and rely exclusively on natural gas and renewables for power generation¹.

1. According to the Ministry Of Energy , November 13 2019

Domestic Market Electricity Generation by Fuel Mix



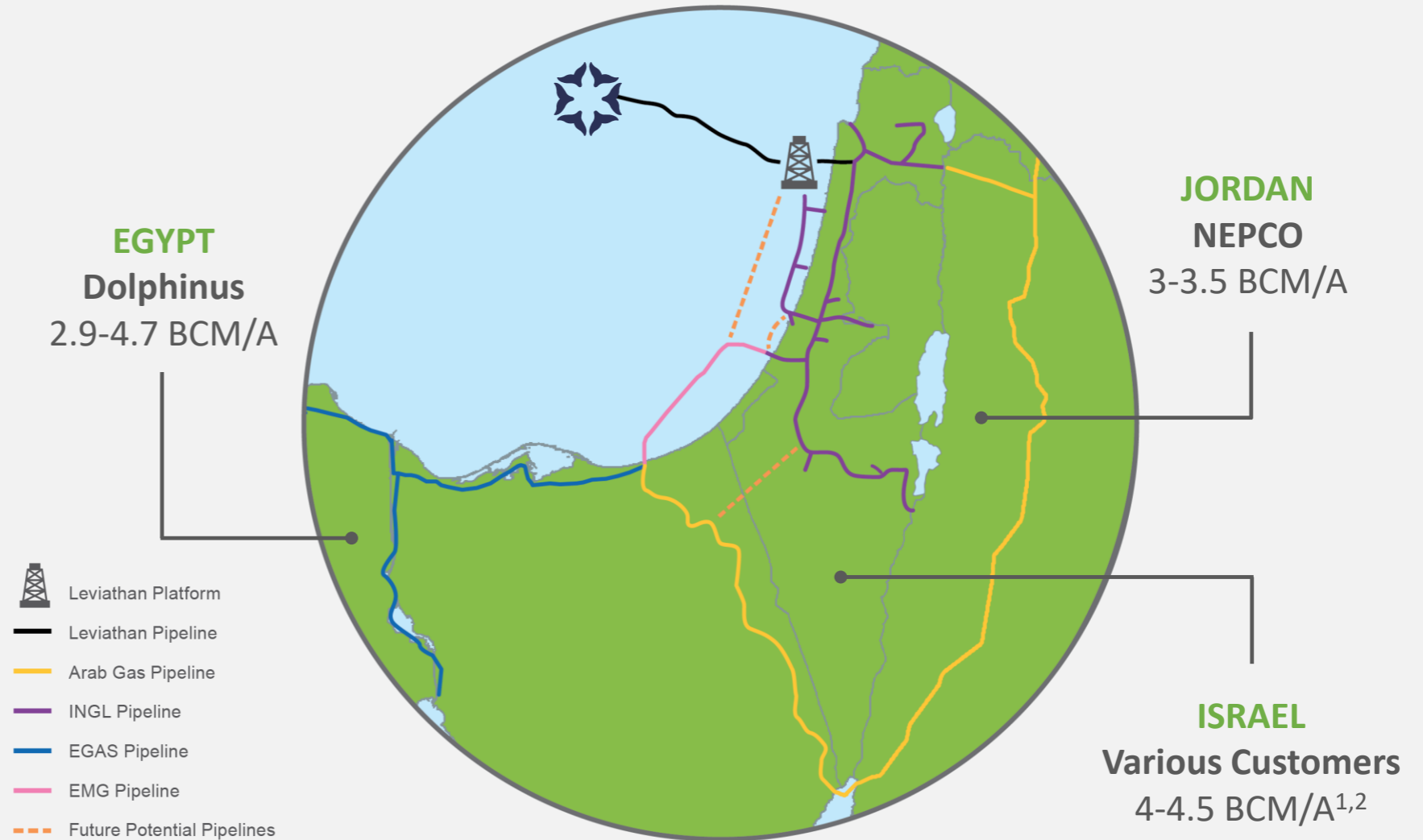
Source: BDO forecast as of January 2020, including PA

PHASE 1A MARKETING

Favourable GSPAs terms:
long term, high TOP, price
linkage to the Brent/PUA
with floor price

On-going negotiations
to fill-up Phase 1A.

Phase 1A – Signed GSPAs



1. Including short-term agreements

2. Including short-term agreement with IEC, as per the Partnership immediate report dated on June 12, 2019 and October 29, 2019

The Partnership's estimations with respect to the quantities of Natural Gas to be delivered under the executed GSPA's constitute forward-looking information as defined in the Israeli Securities Law, which is uncertain and of which the realization or non-realization may be affected, or may differ materially from that presented in this presentation, among other things, by the fulfillment of the conditions precedent under the GSPA's (so far as such conditions precedent have not been fulfilled yet), the granting of regulatory approvals, delays in timetables, geopolitical impacts, variations in the quantities, rate and/or the timing of consumptions of Natural Gas by the off-takers under those GSPA's, etc. The potential usage of regional infrastructure in export agreements, whether existing or being developed, has yet to be finalized and there is no certainty as to whether this is partially or fully feasible.

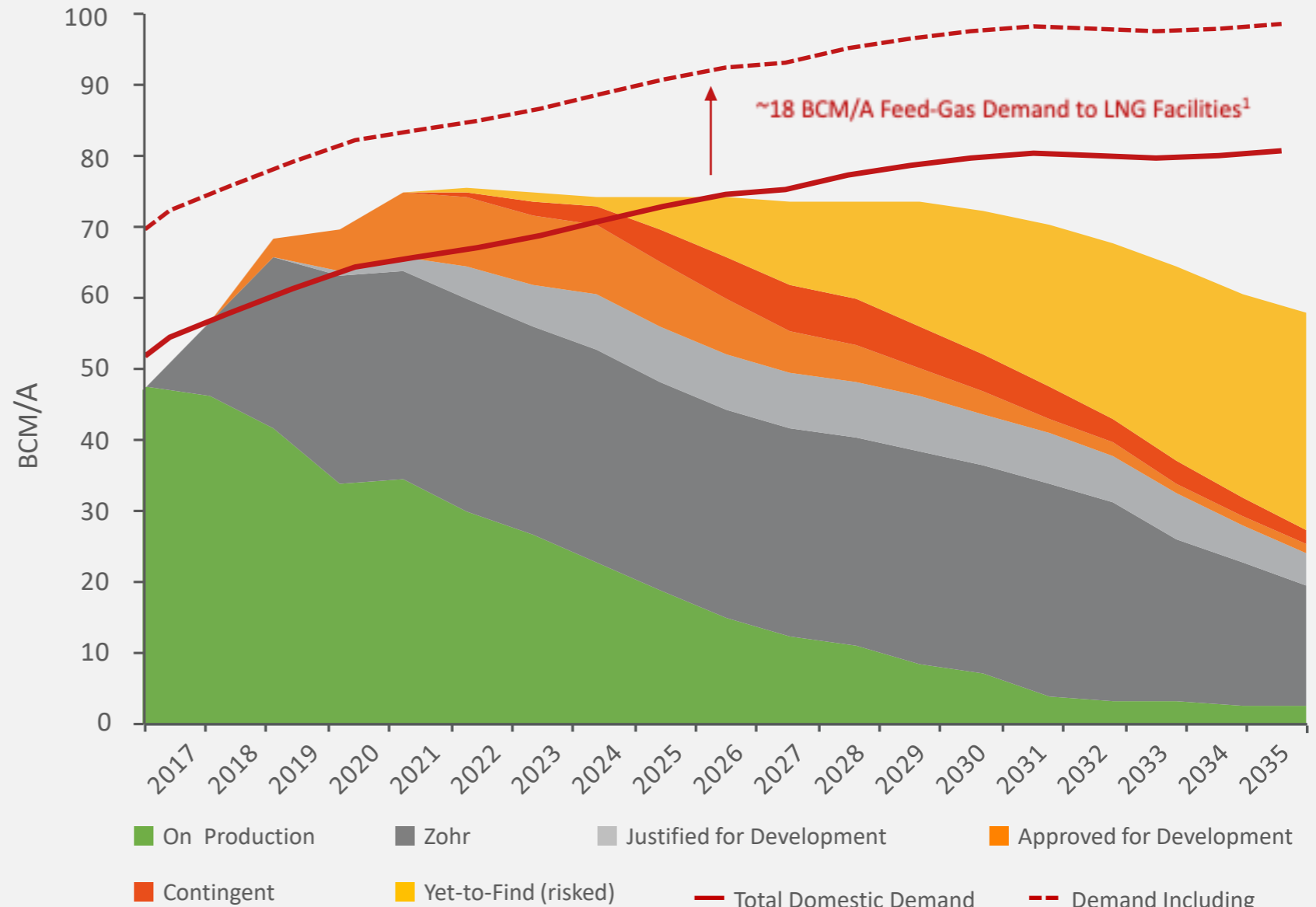


EGYPT

Egypt is a mature natural gas market, substantiated to become a regional energy hub.

- Strong domestic demand
- Two LNG facilities with significant feed-gas demand

Gas Supply by Status vs Demand (2017-2035)



Source: Wood Mackenzie, Energy Market Long Term Outlook, Egypt, July 2019

1. Liquefaction capacity ~ 13.8MMTP/A of Idku & Damietta LNG Facilities; Source: www.shell.com & www.unionfenosagas.com

The data and information provided in this slide by Wood Mackenzie should not be interpreted as advice and you should not rely on it for any purpose. You may not copy or use this data and information except as expressly permitted by Wood Mackenzie in writing. To the fullest extent permitted by law, Wood Mackenzie accepts no responsibility for your use of this data and information except as specified in a written agreement you have entered into with Wood Mackenzie for the provision of such of such data and information.

POTENTIAL EXPANSIONS

On-going negotiations for domestic & export GSPAs.

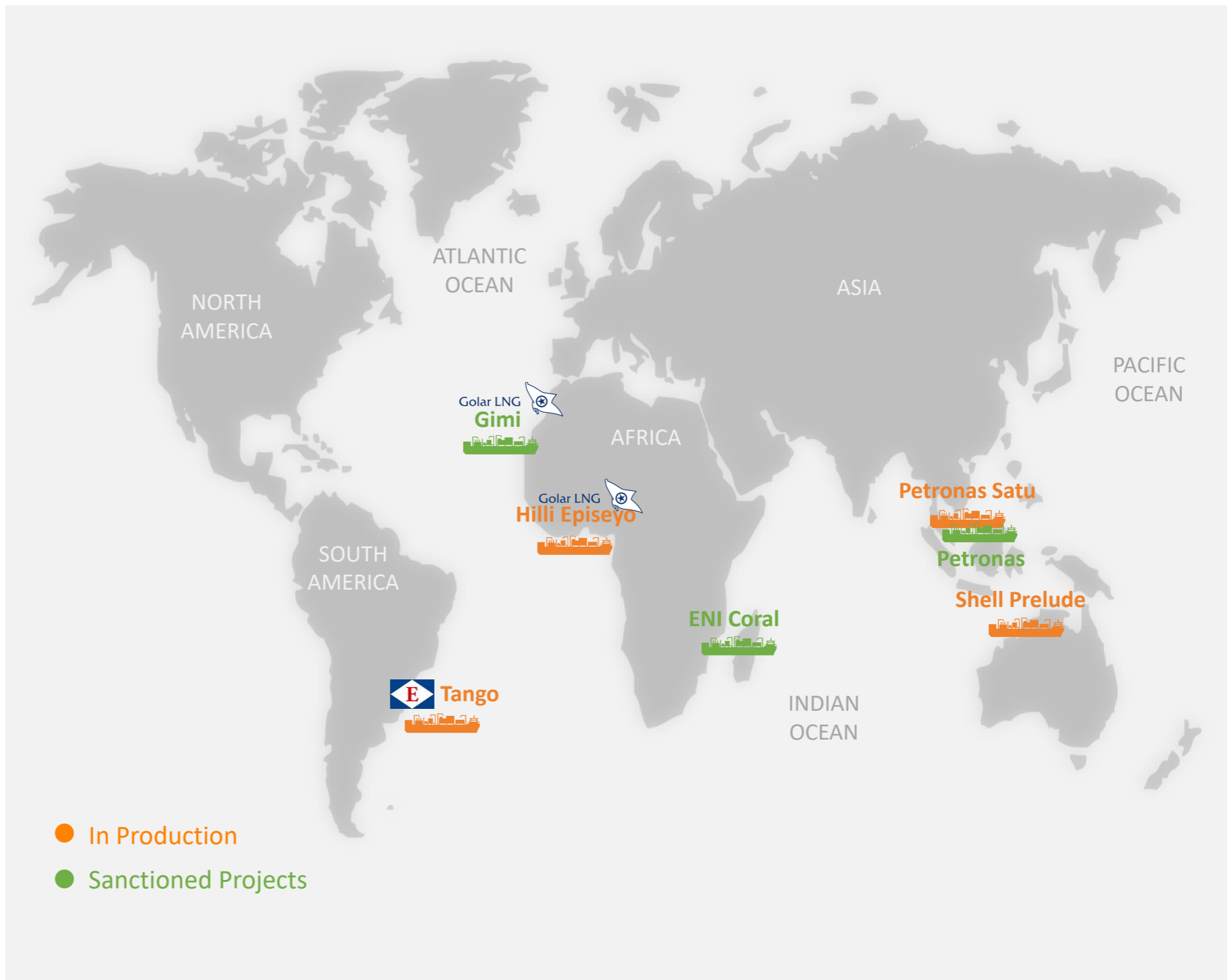
Potential capacity expansions will create an upside at relatively low incremental cost.



FLNG

Leviathan partners engaged with Golar and Exmar for the engineering & design of a FLNG vessel based on natural gas from Leviathan.

Golar & Exmar are both world leading companies specializing in FLNG.



NEW LICENSES

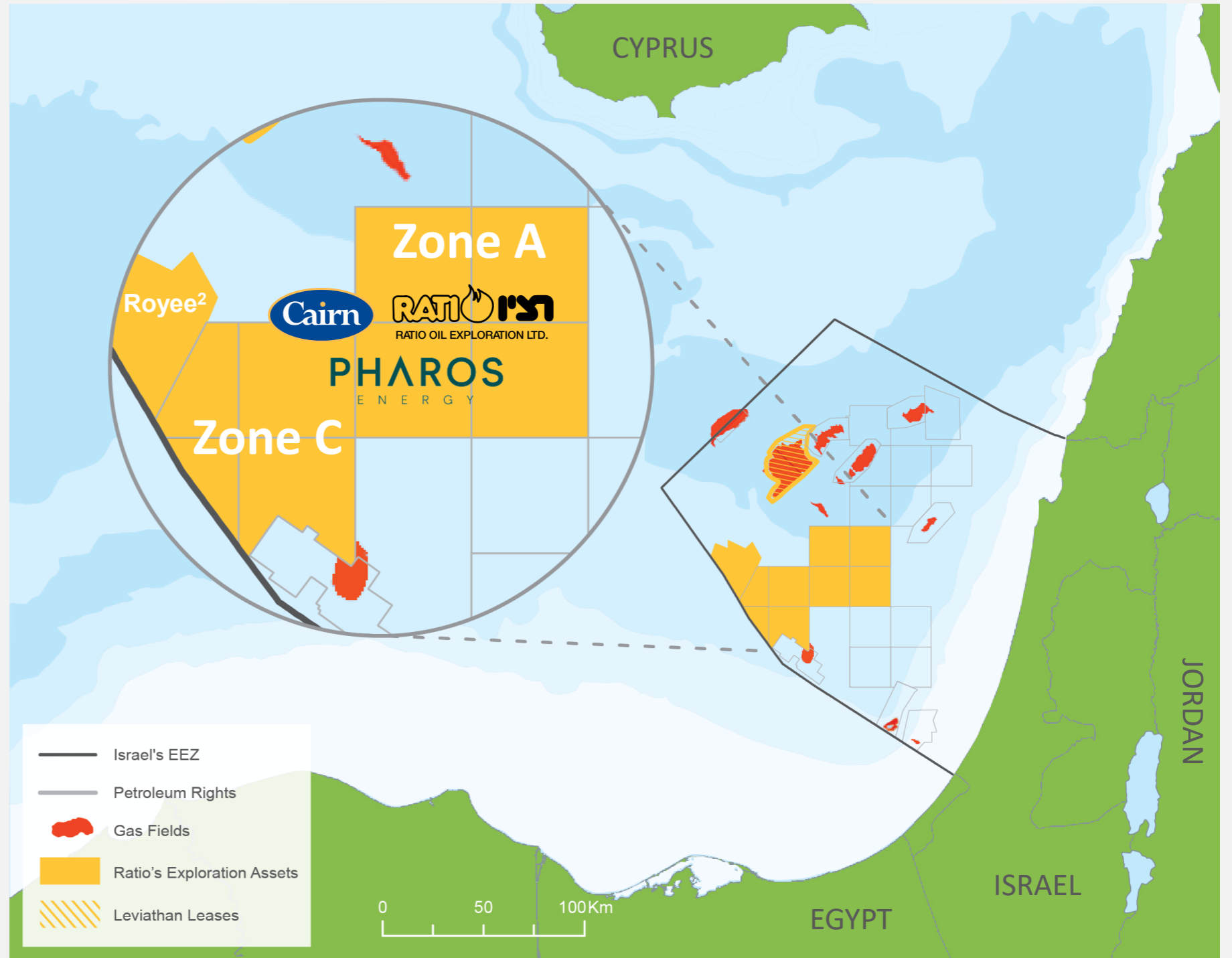
Ratio awarded significant exploration acreage, Zones A & C, in the 2nd offshore bidding Round, along with Cairn & Pharos.

Pharos Energy
33.33%



Cairn¹
(Operator)
33.34%

Ratio
33.33%



1. Through Capricorn Offshore Exploration Limited, a company in control (100%) and full ownership of Cairn
 2. Royee License expires on April 14, 2020



2020

Turning point year
for Ratio



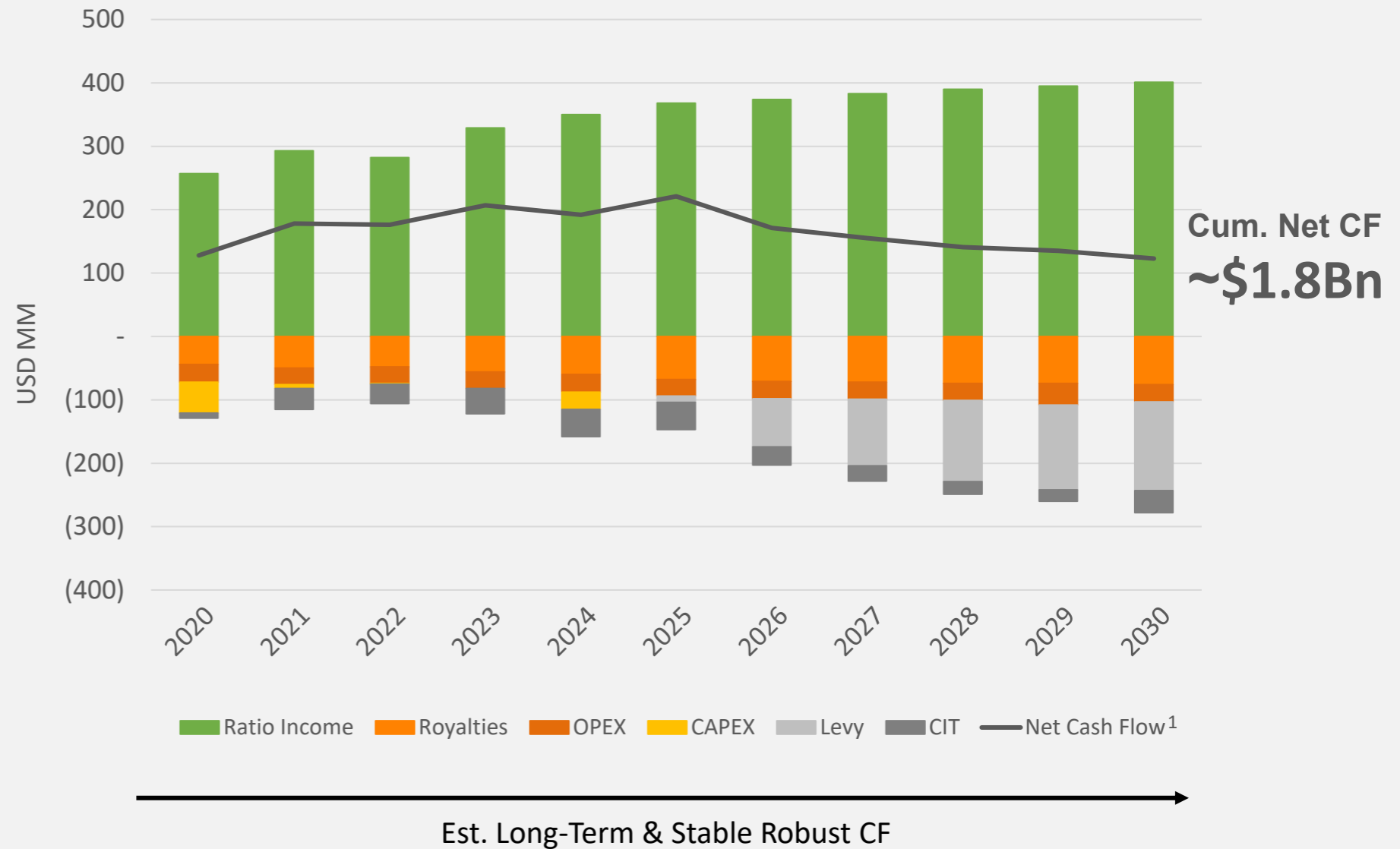
Substantial Cash Flow from
Leviathan

PHASE 1A ROBUST FUTURE CASH FLOW

- **45** years of production
- **11.4** BCM/A average gross production rate
- **\$ 17.9** Bn Expected net income
- **\$ 5.9** Bn Expected net cash flow
- **\$ 1.6** Bn DCF NPV10 (net)



Ratio's Net Cash Flow Forecast 2020-2030



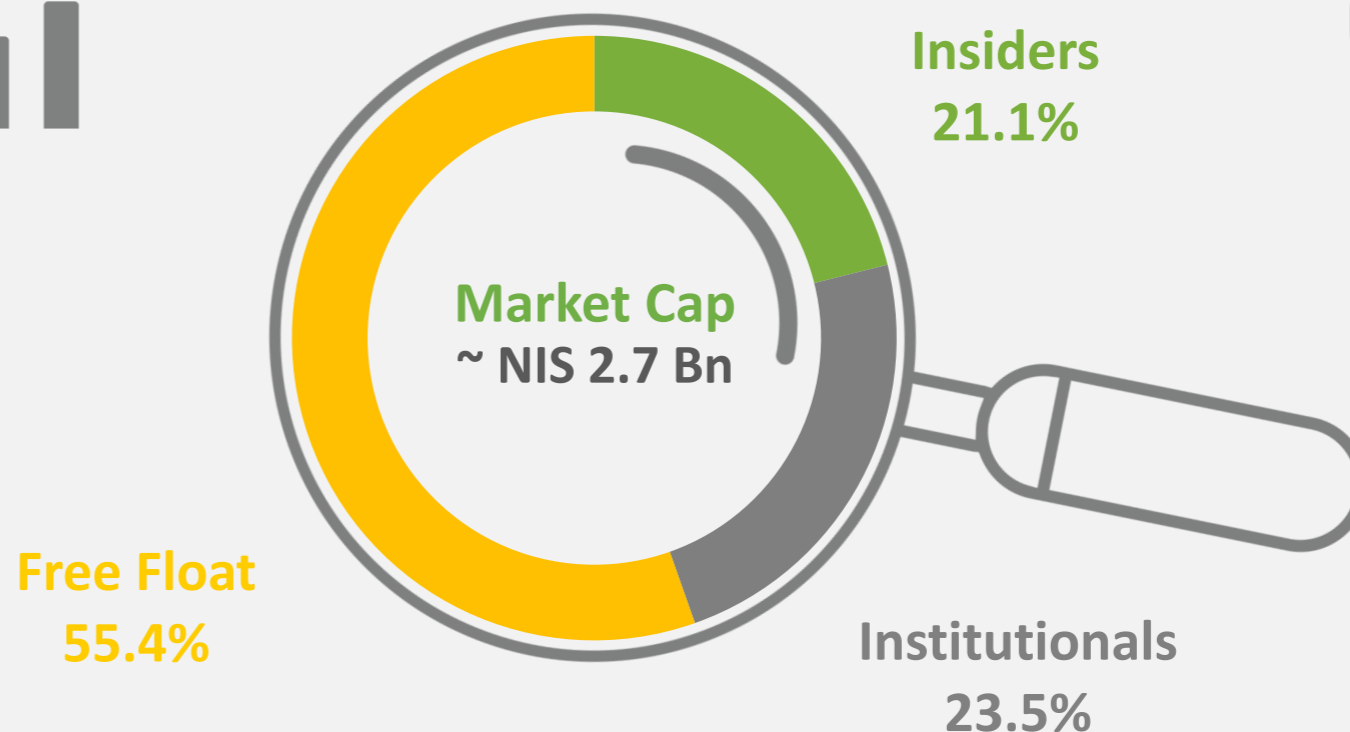
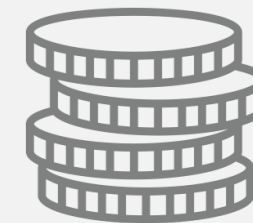
As per the Partnership's immediate report dated January 13, 2020 "Leviathan discounted cash flow projections" and based on NSAI's 2P+2C estimate

1. Net cash flow represents undiscounted Ratio's revenue less royalties, operating expenses, capex and taxes before debt service (principal & interest) & other expenses

RATIO IN THE TEL AVIV STOCK EXCHANGE¹

Ticker
RATI.L

Main Indexes
TA-90, TA-125
TA-Oil & Gas



Warrants

Serie	Expiration Date	Exercise Price ¹	Proceed ²
18	15/11/20	NIS 2.41	USD 76 MM

Bonds³

Series	Par Value ¹	Yield	Linkage	Maturity
B	USD 179 MM	3.16%	NIS	2021-2023
C	USD 181 MM	5.35%	USD	2021-2023

1. As of January 23, 2020

2. Assuming full exercise of warrants; Exercise prices adjusted USD/NIS rate of 3.814 NIS and reflect the consolidation of participant units (1:8)

3. Issued by Ratio Oil Exploration (Finance) Ltd.

CONTACT DETAILS

Ratio Oil Exploration (1992)
Limited Partnership

85 Yehuda Ha'levi St.
Tel-Aviv 6579614
Israel

Tel: +972-3-5661338
Fax: +972-3-5661280
info@ratioil.com
www.ratioil.com

