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Israel Corporation Ltd.

Registrar Number: 520028010

**Form 121
Public**

Securities of the Corporation are listed in the Tel Aviv Stock Exchange

Short name: Israel Corporation

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To:

The Securities Authority

www.isa.gov.il

To:

The Tel Aviv Stock Exchange

www.tase.co.il

Immediate Report

The Event: Update regarding Neot Hovav and the Megnesium Plant

Attached hereto is an immediate report of Israel Chemicals Ltd.

The date when the event first became known to the corporation: November 20, 2014

Time: 12:35

The name of the authorized signatory to the report and the name of the authorized electronic signatory: Maya Alcheh-Kaplan

Position: Vice President, General Counsel and Company Secretary

Date of signing: November 20, 2014



November 20, 2014

Update regarding Neot Hovav and the Magnesium Plant

In connection with the Company's notes offering pursuant to Rule 144A and Regulation S of the Securities Act of 1933, as amended, as published by the Company today, and pursuant to pages 13-14 of the F-1 registration statement for the listing of the Company's shares on the NYSE dated September 23, 2014, and to note 6 of the Company's financial statements dated September 30, 2014, the Company wishes to update as follows:

1. Pursuant to the instruction of the Company's Board of Directors to develop and implement an efficiency plan designed to improve the profitability of the subsidiary, Bromine Compounds Ltd., on November 16, 2014, the Bromine Compounds' management gave notice to 144 employees of their inclusion in a list of candidates for potential employment termination on the basis of efficiency and cost reduction plans. Concurrently, the employees' union has begun implementing sanctions in the Bromine Compounds' plants in Neot Hovav and there is a possibility of deterioration in employment relations, including the possibility of strike in such plants.
2. Pursuant to the resolution of the Social-Economic Cabinet of the Israeli government dated November 10, 2014, whereby the "Natural Resources Tax" bill memorandum shall express the Cabinet's resolution according to which "a special mechanism shall be established to ensure that the Committee's recommendations shall not directly or indirectly affect the feasibility of the continued existence of the magnesium plant", the Company's management will consider recommending to the Board to revisit its resolution regarding the continued operation of the magnesium plant after January 2017, insofar as the practical expression of the Cabinet's resolution in legislation does not harm the contribution and value of the synergy deriving from the operation of the magnesium plant. As of the date of this Report, the Board resolution dated August 27, 2014 remains in effect.

Name of the authorized signatory on the report and name of authorized electronic reporter:

Lisa Haimovitz

Position: VP General Counsel and Company Secretary

Signature Date: November 20, 2014