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wIsrael Corporation Ltd.

Registrar Number: 520028010

**Form 121
Public**

Date of Transmission: December 8, 2016

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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: ICL – Withdrawal of Appeal over Tax Assessment

Attached is an immediate report of Israel Chemicals Ltd.

The date when the event first became known to the corporation: December 8, 2016

Time: 13:20

Name of report authorized signatory and name of authorized signatory electronic signatory: Maya Alcheh-Kaplan

Position: Vice President, General Counsel and Company's Secretary

Signing Date: December 8, 2016

Form structure updated: 31/10/2016

Name of Electronic Reporter: Maya Alcheh-Kaplan. Position: Vice President, General Counsel and Company's Secretary. Address: Aranha 23, Millennium Tower. Tel Aviv 61204. Phone – 03-6844517 Fax: 03-6844587.

E-mail: mayaak@israelcorp.com.



December 8, 2016

Withdrawal of Appeal over Tax Assessment

Further to the Company's immediate report dated December 31, 2013, and to Note 20D of the Company's annual financial statements for 2015, regarding an assessment by the Israeli Tax Authority, the Company hereby reports that it withdrew the appeal filed on February 2015 in respect of the aforementioned tax assessment. The additional tax for payment, in excess of the amounts already paid by the Company to date, is NIS 228 million (about \$60 million), including interest and linkage as of the date of this report. Accordingly, the Company is expected to update the provisions booked in its financial statements for the fourth quarter and for 2016 in the amount of about NIS 130 million (about \$34 million).

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

Lisa Haimovitz

Position: SVP, Global General Counsel and Company Secretary

Signature Date: December 8, 2016