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Israel Corporation Ltd.

Registrar Number: 520028010

**Form 121
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To:	To:
<u>The Securities Authority</u>	<u>The Tel Aviv Stock Exchange</u>
www.isa.gov.il	www.tase.co.il

Immediate Report

The Event: ICL –Investment treaty claim against Ethiopia

Attached is an immediate report of Israel Chemicals Ltd.

The date when the event first became known to the corporation: May 10, 2017

Time: 13:30

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: May 11, 2017

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.

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ICL FILES AN INVESTMENT TREATY CLAIM AGAINST ETHIOPIA

Tel Aviv, Israel, May 10, 2017 – ICL (NYSE and TASE: ICL). Further to Note 13 of ICL's (the "Company") 2016 financial statements and to the announcement issued by the Company on August 23, 2016 (reference number 2016-02-108979) regarding ICL's potash investment in Ethiopia (the "Project"), and to the announcement issued by the Company on October 6, 2016 (reference number 2016-02-060087) regarding the termination of the potash Project in Ethiopia, the Company hereby announces that ICL Europe Coöperatief U.A. ("ICL Europe"), a subsidiary of the Company, filed today an investment treaty claim against the Federal Democratic Republic of Ethiopia ("Ethiopia") in relation to State violations of the Agreement on Encouragement and Reciprocal Protection of Investments between Ethiopia and the Netherlands (the Ethiopia-Netherlands BIT).

The violations relate to, inter alia, the State's imposition of an illegal tax assessment against, and its failure to provide infrastructure support to, Allana Potash Afar Plc, an indirect subsidiary of ICL Europe .

ICL Europe filed the claim under the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL), and requested that the Permanent Court of Arbitration at The Hague administer the arbitration proceedings.

As at the date of this report, the Company has booked a full tax provision in respect of the tax assessment.

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: May 10, 2017

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