

[LOGO: NATURAL RESOURCES HOLDINGS LTD

November 16, 2017

For the attention of:  
The Securities Authority  
[www.isa.gov.il](http://www.isa.gov.il)

For the attention of:  
Tel Aviv Stock Exchange Ltd.  
[www.tase.co.il](http://www.tase.co.il)

Re: **Ad hoc reporting**

Following the Ad hoc Report dated October 31, 2017 (reference: 2017-01-095563) regarding the private offering of Company Shares to the Offerees, each of whom does not have a vested interest in them (hereinafter: “**The Private Offering Report**”) and regarding the approval from the Tel Aviv Stock Exchange for the Listing of Shares, dated November 8, 2017, the Company wishes to announce that, as of the date of this report, the Offeree has not transferred to the Company's accounts the full amount they committed to under the terms of the allotment agreement between them and the Company. All the other Offerees transferred to the Company's accounts the full amounts to which they have committed.

Under these circumstances, the Company considers the allotment agreement with Offeree A as void and therefore Offeree A will not be allotted the shares to which they were entitled under the terms of the allotment agreement, namely the amount of 500,000 shares.

Accordingly, the total number of shares actually allotted under the private offerings of the Company's shares subject to the Private Placement Report shall be at least 1,100,000 shares and the monetary consideration received for the allotment of all shares actually allocated will stand at 1,375,000 NIS only.

Sincerely,

**Natural Resource Holdings Ltd.**