

[Logo: Tel Aviv Stock Exchange]

January 23, 2017

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To:

Natural Resources Holdings Ltd.

7 Menachem Begin Road

c/o Rono Zitvar, Adv.

Ramat Gan 5268102

Fax: 03-6127779

Re: **Failure to comply with rules of maintaining registration**

1. According to the fourth part of the Stock Exchange Regulations, a company does not comply with the maintenance rule if one or more of the situations detailed below occurs:
 - A. The value of the public's holdings in the Company's shares of the same type is less than 5 million NIS.
 - B. The rate of the public's holdings in the Company's shares of the same type is less than 15%, except for cases in which the value of the public's holdings in the Company's shares of the same type is more than 15 million NIS.

Notwithstanding what has been mentioned above, shares will not be transferred to the maintenance list, the rate of the public's holdings of them is greater than 4 million NIS and there is a market maker for the shares, and therefore the rate of the public's holdings of the shares are higher than 12.5% and there is a market maker for the shares, all is under the condition that no other grounds for maintaining exist (hereinafter: "terms of relief").

2. From an examination we performed of the Stock Exchange, for the Company's data on December 31, 2017, it came up that your company is not complying with the rules of maintenance as detailed below:

*** The value of the public's holdings in the Company's shares is 3.3 million NIS.**

3. In accordance with the guidelines and pursuant to the fourth part of the Stock Exchange Regulations, the Company is granted an extension until June 30, 2017 for the purpose of taking steps to comply with the determined rules.
4. If during the examination of the data to be carried out shortly after June 30, 2017 the Company does not comply with the requirement of the minimum value of public holdings, the CEO of the Stock Exchange will be requested to transfer the Company's securities to the saved list only if terms of relief exist for the Company, meaning that **the value of the public shareholding** will be more than 4 million NIS and that there is a market maker, all in accordance with the said fourth part of the Regulations.
5. The full text of the Stock Exchange Regulations and the Guidelines thereof regarding the maintenance list and the preservation of the maintenance list can be reviewed on the Stock Exchange website www.tase.co.il within the framework of regulations and guidelines - a manual for companies.
6. For more details, you may contact Ms. Irit Harel, Director of the Corporate Communicate Unit, Telephone no.: 076-81660407.

Sincerely,

[Signature] [Signature]

Tel Aviv Stock Exchange Ltd.

Tel Aviv Stock Exchange Ltd.

2 Ahuzat Bayit St., Tel Aviv 6525216 * P.O.B. 29080, Tel Aviv 6129001 * Tel.: 076-8160411 Fax: 03-5105349

www.tase.co.il