LIMITED PARTNERSHIP AGREEMENT

Executed and signed on the 16th day of May 2016

Between

RATIO PETROLEUM LTD., Company No. 515439727
as General Partner (hereinafter: the "General Partner")
(of the one part)

and

RATIO PETROLEUM ENERGY TRUSTS LTD., Company No. 515439693
as Limited Partner (hereinafter: the "Limited Partner")
(of the other part)

WHEREAS the parties wish to establish a limited partnership under the laws of the State of Israel for the purpose of participating in the exploration, development and production of hydrocarbons outside the State of Israel;

NOW THEREFORE it is agreed and stipulated between the parties as follows:

1. Preamble

The preamble to this Agreement constitutes an integral part hereof.

2. Definitions and Interpretation

2.1 Definitions

"Stock Exchange" — the Tel Aviv Stock Exchange Ltd.

"Public Offering" — the initial public offering pursuant to the prospectus to be made by the Offeror, of units to be issued in accordance with the Trust Agreement by the Limited Partner as issuer, which shall confer (vis-à-vis the Limited Partner) a right to participate in the rights of the Limited Partner in the Partnership. The said units may be offered in the prospectus together with warrants. Such warrants, if included in the public offering, may be of one or several series.

"Supervisor" — whoever shall sign as supervisor of the Trust Agreement prior to the publication of the prospectus, and whoever shall from time to time serve as supervisor under the Trust Agreement and this Agreement.

"Offeror" — the General Partner.

"Trustee" — the Limited Partner under this Agreement and whoever shall from time to time serve as trustee under the Trust Agreement.

"Trust Agreement" — the trust agreement to be signed shortly before publication of the prospectus between the Limited Partner as trustee for the unit holders, on the one part, and the Supervisor, on the other part, regarding the issuance of units, as amended from time to time. To the extent it is approved in the future, in accordance with law, that no supervisor shall serve in the Partnership, this Agreement shall be amended by agreement between the General Partner and the Limited Partner, such that the provisions of the Trust Agreement, to the extent they do not relate to the Supervisor, shall be incorporated into this Agreement without requiring the approval of a meeting of the participation unit holders of the Partnership for that purpose.

"Limited Partnership Agreement" or "this Agreement" — this Agreement as amended from time to time.

"Ordinance" — the Partnerships Ordinance [New Version], 5735-1975.

"Partnership" or "Limited Partnership" — the limited partnership hereby created under this Agreement.

"Companies Law" — the Companies Law, 5759-1999.

"Units" or "Participation Units" — registered participation units of NIS 1 par value each, conferring a right to participate in the rights of the Trustee as Limited Partner in the Partnership — as detailed in this Agreement — and held in trust by the Limited Partner for their purchasers.

"Warrants" — registered warrants to be issued by the Limited Partner, conferring on their holders the right to purchase one registered participation unit of NIS 1 par value against each warrant, at the price and on the terms to be detailed in the prospectus and/or the shelf offering report by virtue of which they are issued. Such warrants may be of one or several series.

"Oil Assets" — permits for the exploration and/or development and/or production of hydrocarbons which have been and/or shall be lawfully granted under the laws of the state in whose territory the said activities are carried out. For this purpose, a permit granted to a corporation held by the Partnership, directly or indirectly, or in which the Partnership and/or a corporation held by it has acquired rights, shall be regarded as a permit granted to the Partnership.

"Oil" — all types of hydrocarbons, in any state of matter.

"Completion Date" — a date shortly after the closing of the subscription list in the public offering but before the listing for trading on the Stock Exchange of the securities to be offered to the public within the public offering.

"Prospectus" — the prospectus pursuant to which the public offering shall be made.

"Securities" — the participation units, the warrants and any other security of the Partnership.

"Dollar" — United States dollar.

"Held Corporations" — Ratio Petroleum Limited, Ratio Guyana Limited, Ratio Malta Limited, including corporations in which the Partnership holds interests, directly or indirectly. The obligations of the Held Corporations are as the obligations of the Partnership in accordance with its share in the Held Corporations.

2.2 Interpretation

In this Agreement, whatever is stated in the singular shall also apply to the plural and vice versa, and whatever is stated in the masculine shall also apply to the feminine and vice versa.

The headings of this Agreement shall not be taken into account for purposes of its interpretation.

Wherever it is provided in this Agreement that its provisions shall apply subject to the provisions of the Ordinance and/or the Companies Law and/or the regulations enacted thereunder and/or subject to the provisions of any law, the reference is to the provisions of the Ordinance and/or the Companies Law and/or the regulations enacted thereunder and/or the provisions of any law (in this section only: the "Statutory Provisions") which are not subject to contractual variation, unless the context requires otherwise. In the event of a conflict between the provisions of this Agreement and the Statutory Provisions which are not subject to contractual variation, the Statutory Provisions shall prevail.

Provisions which may be varied under the Companies Law and/or the Ordinance shall apply to the Partnership, to the extent not otherwise provided in this Agreement and to the extent there is no conflict between them and the provisions of this Agreement.

Since the principal activity of the Limited Partnership will be conducted through Held Corporations, wherever in this Agreement powers are given to the General Partner in connection with the Limited Partnership and its oil assets, the reference includes, as applicable, the Held Corporations and their oil assets, all according to the matter and context.

3. Formation of the Partnership

3.1 The parties to this Agreement agree to establish a limited partnership under the Ordinance. The rights and obligations of the partners shall be determined in accordance with the provisions of the Ordinance and the provisions of this Agreement.

3.2 The provisions of this Agreement constitute the regulations of the limited partnership within the meaning of Section 61 of the Ordinance.

4. Name of the Partnership

The name of the limited partnership shall be: "Ratio Petroleum – Limited Partnership" or any other name determined by the General Partner and approved by the Registrar of Companies and Partnerships.

5. Purpose, Powers and Authority of the Partnership

5.1 The purpose of the Limited Partnership is to engage, itself and/or through Held Corporations, in the exploration and/or development and/or production of hydrocarbons, outside the State of Israel, in the area of the oil assets detailed below, and also to serve as operator in the exploration and/or development and/or production of hydrocarbons:

Block 5 in Malta, Block B in Guyana, and the Ireland license (No. 16/28) in Ireland, as well as areas adjacent to the above oil asset areas which shall be included in the said oil assets due to boundary changes therein or in respect of which the Limited Partnership shall receive oil rights, all where such boundary change or rights are granted for local geological reasons.

5.2 The Limited Partnership shall have all powers and authority necessary and/or useful for advancing, or connected with, the purpose of the Limited Partnership.

5.3 For the avoidance of doubt, the Partnership shall be entitled to request and receive, or to enter into agreements regarding the acquisition by it or transfer to it of rights in oil assets, even before such rights have been lawfully vested in or transferred to the name of the Partnership, provided that the Partnership shall not carry out actions or expend money in connection with such oil assets, and shall not bear other direct expenses in respect thereof, except for expenses of preparing for and participating in tenders in connection with oil assets, due diligence, and economic, financial, professional/technical and regulatory examinations, etc., in connection with the oil assets.

6. Capital of the Partnership

6.1 The capital of the Limited Partnership shall be comprised of the following amounts:

An amount of NIS 1,000 to be contributed by the partners after the signing of this Agreement, of which NIS 999 shall be contributed by the Limited Partner and NIS 1 by the General Partner; and

The amounts to be contributed by the Limited Partner on the Completion Date in accordance with Section 6.2 below.

The amount contributed by the Limited Partner upon signing of this Agreement, as stated above, is contributed on the basis that the Limited Partner shall not be liable for the obligations of the Partnership beyond the amount it has so contributed.

Should additional capital amounts be contributed by the Limited Partner on the Completion Date in accordance with the provisions above, and whenever additional capital amounts are contributed by the

Limited Partner, they too shall be contributed on the basis that the Limited Partner shall not be liable for the obligations of the Partnership beyond the amounts it has contributed.

6.2 The Limited Partner shall contribute to the Partnership, on the Completion Date, an amount equal to the entire proceeds of the issuance (net, after deduction of issuance expenses) of the units (including warrants, if offered in the prospectus) issued by it and offered pursuant to the prospectus (after deduction of an amount of NIS 250,000 to remain in its hands for trust expenses), and shall also contribute to the capital of the Partnership any additional amount received by it as consideration for the issuance of units (including warrants, if issued as aforesaid) issued by it to the General Partner or its controlling shareholders or to others shortly before the date of the prospectus or on or before the Completion Date, pursuant to an undertaking to be included in the prospectus.

6.3 These amounts shall constitute, together with the amount paid by the Limited Partner under Section 6.1.1, approximately 99.9% of the capital of the Limited Partnership.

6.4 Whenever amounts are received by the Limited Partner due to the allotment of units (such as following new issuances of units or other securities, or due to the exercise of securities conferring the right to purchase units issued by the Limited Partner) or due to the allotment of such securities, the Limited Partner shall be obligated to contribute these amounts, less commissions payable thereon, to the capital of the Partnership, less amounts which the Limited Partner, with the consent of the General Partner, retains for trust expenses (beyond the amount specified in Section 6.2 above).

6.5 The Limited Partner shall not be entitled to interest in respect of its payments to the capital of the Limited Partnership.

6.6 After the Limited Partner pays its share of the capital of the Limited Partnership in accordance with this Section 6, the Limited Partner shall not be required to invest additional amounts in the capital of the Limited Partnership, and shall not be liable for the obligations of the Limited Partnership beyond the amounts so contributed.

6.7 In any case where it is decided to increase the capital of the Limited Partnership, the Limited Partner's share shall be 99.9% of the additional capital to be contributed to the Partnership, and the General Partner's share shall be 0.1% of such additional capital.

6.8 For the avoidance of doubt, it is hereby clarified that the General Partner shall be entitled to acquire securities of the Partnership at any time, at its sole discretion.

7. Place of Business Management

The place of management of the business of the Limited Partnership shall be at 85 Yehuda Halevi Street, Tel Aviv. The General Partner may from time to time change the place of management of the business of the Limited Partnership to another place in Israel, or, subject to approval by special majority (as defined below) of the general meeting of participation unit holders, abroad; in such case it shall give notice of the change to the Limited Partner and the Supervisor within 20 days of the date of the change.

"Special majority" for purposes of this section: a majority of the votes of those present at the vote, provided that one of the following is satisfied: (1) the majority vote count at the general meeting includes a majority of the total votes of participation unit holders who are not the General Partner, the controlling shareholders of the General Partner, or persons who have a personal interest in the approval of the resolution, participating in the vote (abstentions not being taken into account); (2) the total votes opposing the resolution among the unit holders referred to in clause (1) does not exceed 2% of the total voting rights of the participation unit holders.

8. Expenses of the Limited Partnership and their Financing

8.1 The General Partner may (but is not obligated to) obtain, in the name of the Limited Partnership, including in the name of its Held Corporations, credit on terms it deems suitable for financing their expenses, and may decide to pledge, for this purpose, the assets of the Limited Partnership, including its Held Corporations and their assets.

8.2 The General Partner shall be entitled to approach the Limited Partner and request that it increase the capital of the Limited Partnership, so that the funds contributed to the capital of the Limited Partnership shall be used for the purposes the Partnership is entitled to engage in under this Agreement, as they may be from time to time, and for actions the Partnership is entitled to carry out under this Agreement. The General Partner shall specify, in its request to the Limited Partner, the amount by which it seeks to increase the capital of the Partnership.

In such case, the General Partner shall act to publish a prospectus and/or shelf offering report and/or proceed in any other manner permitted by law to raise the funds required for such capital increase, subject to the conditions and approvals required under the express provisions to be included in the Trust Agreement. The structure and terms of the issuance, including the types of securities to be offered, their terms, the quantity to be offered of each type, the composition of the bundles in which such securities shall be offered, and the prices and exercise prices of securities conferring the right to purchase units, shall be determined by decision of the General Partner.

9. Participation in Income, Expenses and Losses

The General Partner shall be entitled to 0.1% of the income and shall bear 0.1% of the expenses and losses of the Limited Partnership, as well as the expenses and losses of the Limited Partnership which, due to the limitation on the liability of the Limited Partner as stated in Section 14.2 below, are not borne by the Limited Partner.

The Limited Partner shall be entitled to 99.9% of the income and shall bear, subject to the limitation of its liability as stated in Section 14.2 below, 99.9% of the expenses and losses of the Limited Partnership.

10. Management of the Partnership and Operator's Fees (Operation and Management)

10.1 The General Partner shall manage the Limited Partnership, and it, or someone on its behalf, shall be responsible for managing and carrying out all oil exploration activities, including development and/or production, within the framework of the oil assets in which the Limited Partnership and/or its Held Corporations have, or shall have in the future, an interest.

10.2 In consideration for such services, the General Partner or someone on its behalf shall be entitled, in respect of all oil assets in which the Partnership and/or its Held Corporations have and/or shall have an interest, even where an additional operator exists, to an operator's fee at a rate of 7.5% (plus VAT) of the total exploration expenses of the Partnership and the amounts attributed to its proportionate share in the expenses of operations in joint transactions during the exploration period (whether incurred by it or by the Held Corporations), but not less than USD 40 thousand per month (plus VAT) during the exploration and/or development and/or production period, from the date of the first listing for trading of the Partnership's securities.

10.3 The operator's fee shall be calculated on a dollar basis and paid quarterly.

10.4 The General Partner shall be entitled to receive "operator's fees" at the said rates also from other participants, if any.

10.5 The General Partner shall bear, out of the operator's fee, the compensation paid to directors of the General Partner who are controlling shareholders of the General Partner or their relatives, in respect of their service as directors and in respect of ongoing services rendered to the General Partner in the operational fields of the Partnership, by virtue of their position.

The other expenses of the Limited Partnership shall be paid by the Limited Partnership.

10.6 The Partnership may directly employ employees and/or officers who provide services to it, in which case the Partnership shall bear the full cost of their salaries.

11. Profits of the Partnership

11.1 All profits of the Limited Partnership fit for distribution by the Partnership under law, as profits — less amounts (not taken into account in determining the profits) required by the Partnership, at the discretion of the General Partner, for or in connection with existing or reasonably anticipated future obligations of the Limited Partnership, known or estimated, including repayment of loans (if any) and amounts required, in the opinion of the General Partner, to meet unforeseen expenses (not exceeding USD 250,000) (hereinafter: the "Profits") — shall be distributed to the partners in accordance with their rights as stated above and subject to Section 11.10 below, in the following manner: once a year, shortly before the year-end, the General Partner shall prepare, in consultation with the Partnership's accountants, an assessment of the Partnership's annual taxable income for tax purposes. Based on this assessment, the General Partner shall determine the amount for first distribution, taking into account, inter alia, what is required, according to the assessment, in order to meet the Partnership's obligations under a tax collection agreement to be signed (if signed) between the Partnership and the tax authorities, or to meet conditions set by the tax authorities in approvals given by them to the Limited Partnership for issuances of units or other securities, or otherwise (hereinafter: the "First Distribution Amount"). The First Distribution Amount shall be published by the General Partner before year-end and shall thereafter be distributed to the partners in accordance with their rights as stated above.

11.2 The balance of profits remaining for distribution (if any) in respect of that year shall be determined by the General Partner and published shortly after publication of the Partnership's audited financial statements for that year, and shall thereafter be distributed to the partners in accordance with their rights as stated above (hereinafter: the "Second Distribution Balance").

11.3 It is hereby clarified that if, after the Second Distribution is made, it becomes apparent, due to a change in circumstances, that additional amounts can be distributed in respect of that year, the General Partner shall be entitled to make additional distributions in respect of that year (hereinafter: "Additional Distributions"), and shall be obligated to do so if the additional distributable amounts exceed USD 3 million.

11.4 The calculation of profits shall always be made for the year ending December 31.

11.5 It is hereby clarified that no profits shall be distributed if their receipt by the Limited Partner would be regarded as a withdrawal of investments, or part thereof, within the meaning of Section 63(b) of the Ordinance.

11.6 Amounts held by the Limited Partnership which are not distributed to the partners as stated above (including amounts deriving from the capital of the Limited Partnership and from its undistributed profits) may be invested by the General Partner, if it deems it appropriate at its sole discretion, until utilized for their intended purposes, in a manner it deems appropriate, provided such investments are made for the purpose of preserving, as far as possible, the real value of the funds and their availability for carrying out the purposes of the Limited Partnership.

11.7 Notwithstanding the foregoing, the General Partner shall be entitled to refrain from distributing profits, or to delay their distribution, for the purpose of participating in exploration, development and production activities in the fields of oil assets in which the Limited Partnership, including its Held Corporations, have interests, or for the purpose of financing activities for which plans were included in any prospectus, shelf prospectus or shelf offering report pursuant to which units or other securities (including securities conferring the right to purchase units) shall be issued, or for other activities approved by the Supervisor.

Notwithstanding the above, the General Partner may not — without the approval of the general meeting of unit holders, or the approval of the Supervisor obtained with the consent of the court — refrain from distributing profits or delay their distribution for the purpose of carrying out development and production works and participating in additional exploration activities, where the Partnership and/or its Held Companies have no interests in oil assets.

11.8 It is hereby clarified that, in the event of an incorrect assessment of profits, or in the event that, due to Section 63(b) of the Ordinance and the provisions described above in relation thereto, an obstacle is created or found to have been created preventing any distribution, in whole or in part, even after the distribution amount has been published, the General Partner shall be exempt from all liability, unless it acted in breach of its fiduciary duty to the Partnership and/or in breach of its duty of care in the distribution.

11.9 Without derogating from the above, it is hereby clarified that the General Partner may, at its discretion, use profit funds and, for this purpose, refrain from distributing them, and may also undertake, in the name of the

Partnership, for the purpose of obtaining credit, obligations restricting the distribution of profits, and pledges on the Partnership's assets that include such obligations, all for financing purposes (whether immediate or future, and whether known or possible financing needs) of activities and expenses which the General Partner decides upon in any area of the Partnership in which, in its opinion, there was a discovery, or in any other area, for the purpose of financing activities for which plans were included in a prospectus, shelf prospectus or shelf offering report as aforesaid, or for the purpose of financing other activities approved by the Supervisor for this purpose.

11.10 Notwithstanding the above, it is hereby clarified that no distribution of any kind shall be made, including as stated in this Section 11, unless the Board of Directors of the General Partner has been given a reasonable opportunity to determine, prior to its execution, that the distribution is not a prohibited distribution within the meaning of that term in Section 301 of the Companies Law.

It is further clarified that no profits shall be distributed if, in the opinion of the Supervisor, there is doubt that their receipt by the Limited Partner would be regarded as a withdrawal of its investment, or part thereof, within the meaning of Section 63(b) of the Ordinance. Where such doubt exists, the distribution shall not be made except with the consent of the Supervisor or court approval. If the court approves that the distribution does not impose a liability on unit holders, the profits shall be distributed on the terms of the approval.

11.11 The opinion of the Limited Partnership's accountant (to be appointed for the Limited Partnership before publication of the prospectus, or a successor accountant) on all matters relating to determining the amount of profits fit for distribution as profits, and calculating the partners' shares under the Limited Partnership Agreement in the income, expenses and losses of the Partnership, shall be final and conclusive.

12. Powers and Functions of the General Partner

Subject to the provisions of any law, full control over the management of the Limited Partnership and/or its Held Corporations (in this Section 12, "Limited Partnership" includes its Held Corporations) and its business shall be in the hands of the General Partner. The General Partner shall manage all the business and affairs of the Limited Partnership at its discretion and to the best of its ability, and shall make its best efforts to carry out the purposes of the Limited Partnership as stated in the Limited Partnership Agreement.

Subject to the provisions of the Ordinance that are not subject to contractual variation, the General Partner shall have full powers and authority to do, or cause to be done, all acts it deems necessary and/or useful for carrying out the purposes of the Limited Partnership (except for powers and authority explicitly excluded in this Agreement, as amended from time to time, and/or which have been given to another party under a non-variable provision of the Ordinance), and without derogating from the generality of the above, including also:

12.1 To decide upon and sign, on behalf of the Limited Partnership, all agreements and documents relating to exploration, development and production activities, and any change or amendment thereto or any document connected with an action taken pursuant thereto, including:

(a) Agreements for the transfer of rights, including the acquisition of rights and joining oil assets, and deeds of transfer of rights from and to the Limited Partnership;

(b) To obtain credit for the activity of the Limited Partnership and to sign all documents and create the pledges required for that purpose;

(c) Applications for obtaining oil assets and changing the terms of oil assets;

(d) Agreements with other parties engaged in oil and gas exploration, to include them in oil or gas exploration or to participate with others in oil or gas exploration;

(e) Decisions and notices regarding the abandonment of oil assets;

(f) Any application to government offices and regulators;

(g) Any other document connected with exploration, development and production activities;

(h) A decision to participate in a tender in connection with oil assets and signing all documents in connection therewith.

12.2 Generally, and subject to Section 12.1 above, to decide to sign and to sign agreements and documents in the name of the Limited Partnership and/or its Held Corporations, as applicable, containing such terms, provisions and conditions as the General Partner deems fit.

12.3 To obtain, at its discretion and subject to Section 8.1 above, credit in the name of the Limited Partnership for the purposes of the Limited Partnership, and to pledge for this purpose the assets of the Limited Partnership, including also (but not only) obtaining credit and pledging assets for the purpose of operating and developing oil assets.

12.4 To conduct any claim and legal proceeding in the name of the Limited Partnership, whether as plaintiff or defendant, and to settle such claims and proceedings, and to compromise them.

12.5 To give any notice in the name of the Limited Partnership.

12.6 With respect to any project in which the Partnership is entitled to engage, directly or indirectly, in accordance with Section 5.3 above, to make any decision in connection with carrying out or continuing exploration activities, or production and/or continuing production, including decisions to refrain from or cease such activities or participation therein.

12.7 The General Partner shall maintain full and accurate records of the affairs and business of the Limited Partnership, and shall publish the financial statements and all information required to be reported to the tax authorities, the Securities Authority, the Stock Exchange, any authority in Israel and/or abroad, and to holders of securities issued by the Limited Partner, including reports relating to the Partnership's oil exploration activities, all at the times, in the manner and at the level of detail required by law, the Trust Agreement, any prospectus pursuant to which securities of the Partnership are offered to the public, the Stock Exchange regulations, or agreements with the tax authorities.

12.8 Reports and Information

The General Partner shall prepare and publish, at the required times, the following reports:

12.8.1 All reports of the Limited Partnership required to be published under the Limited Partnership Agreement, immediately after their signature by the General Partner and no later than the date fixed in the Limited Partnership Agreement.

12.8.2 Reports it or the Limited Partnership must publish under the Securities Law, 5728-1968, and the regulations enacted thereunder.

12.8.3 Reports it must publish under the Stock Exchange regulations and directives.

The General Partner shall publish the said reports to the public through the MAGNA and MAYA systems, in the manner customary for distributing reports of partnerships whose participation securities are traded on the Stock Exchange, and in accordance with the dates fixed by law.

12.9 The General Partner and interested parties therein shall report on any sale and purchase of units and convertibles into units by them, in the reporting format of an interested party in a listed company for the purchase and sale of securities held by it.

13. Liability, Indemnification and Insurance

13.1 Liability, Indemnification and Insurance of the General Partner, Officers of the General Partner and Officers of the Partnership and its Held Corporations

(a) The General Partner and/or the Limited Partner and/or the Limited Partnership may exempt, in advance, the General Partner and/or officers of the General Partner and/or officers of the Limited Partner and/or officers of the Partnership and/or of its Held Corporations (hereinafter in this Section 13: "Officers") from their liability, in whole or in part, for damage due to breach of the duty of care towards the General Partner and/or the Partnership and/or the Limited Partner, or for any other breach which the law permits a company to exempt an officer from. Notwithstanding the foregoing, the General Partner and/or the Limited Partner and/or the Partnership may not exempt a director in advance from liability towards the General Partner and/or the

Partnership and/or the Limited Partner due to breach of the duty of care in the distribution of profits of the General Partner and/or the Partnership.

Notwithstanding the above, it is clarified that the exemption granted, if and to the extent granted, shall not apply to a decision made by the General Partner and/or an officer, or to a transaction approved by the General Partner and/or an officer, in which the controlling shareholder of the General Partner or any officer (including an officer other than the one for whom the letter of exemption is granted) has a personal interest in its approval.

(b) The General Partner and/or the Limited Partner and/or the Limited Partnership may indemnify each of the General Partner and/or the Officers, in respect of a liability or expense imposed on or incurred by them due to an action taken by virtue of being the General Partner and/or Officers, as applicable, in any of the following:

1. A monetary liability imposed on them in favor of another person under a judgment, including a judgment given in a settlement or an arbitrator's award approved by the court;

2. Reasonable litigation expenses, including attorney's fees, incurred due to an investigation or proceeding conducted against them by an authority competent to conduct an investigation or proceeding, which ended without an indictment being filed against them and without a monetary liability being imposed on them as an alternative to criminal proceedings, or which ended without an indictment but with the imposition of a monetary liability as an alternative to criminal proceedings for an offense not requiring proof of criminal intent, or in connection with a monetary sanction. In this paragraph, "conclusion of a proceeding without an indictment in a matter in which a criminal investigation was opened" and "monetary liability as an alternative to criminal proceedings" shall have the meanings ascribed to them in Section 260(a)(a1) of the Companies Law;

3. Reasonable litigation expenses, including attorney's fees, incurred by them or charged to them by a court, in a proceeding filed against them by the General Partner and/or the Limited Partner and/or the Partnership, or on their behalf, or by another person, or in a criminal indictment of which they were acquitted, or in a criminal indictment in which they were convicted of an offense not requiring proof of criminal intent;

4. Payment to a person injured by a breach as stated in Section 52(nd)54(a)(1)(a) of the Securities Law, or expenses incurred in connection with a proceeding under Chapters H'3, H'4, or I1 of the Securities Law, including reasonable litigation expenses and attorney's fees;

5. Expenses incurred in connection with a proceeding conducted under, or in connection with, the Restrictive Trade Practices Law, 5748-1988, including reasonable litigation expenses and attorney's fees;

6. Any other liability or expense in respect of which it is, or shall be, permitted to indemnify an officer in a company under the Companies Law.

(c) The General Partner and/or the Limited Partner and/or the Limited Partnership may give an advance undertaking to indemnify each of the General Partner and/or the Officers in each of the following:

As specified in Section 13.1(b)1 above, provided the indemnification undertaking is limited to events which, in the opinion of the Board of Directors of the General Partner and/or the Limited Partner, as applicable, are foreseeable in light of the actual activity of the General Partner and/or the Limited Partner and/or the Partnership at the time the undertaking is given, and to an amount or criterion which the Board determined to be reasonable under the circumstances, with the undertaking specifying such foreseeable events and the applicable amount or criterion.

As specified in Sections 13.1(b)2, 13.1(b)3, 13.1(b)5 or 13.1(b)6 above.

(d) Insurance

The General Partner and/or the Limited Partnership may enter into a contract insuring the liability of the General Partner and/or the Officers for a liability imposed on them due to an action taken by virtue of being the General Partner and/or Officers, in each of the following:

1. Breach of the duty of care towards the General Partner and/or the Limited Partner and/or the Partnership and/or another person;

2. Breach of the fiduciary duty towards the General Partner and/or the Limited Partner and/or the Partnership, provided the General Partner and/or the officer acted in good faith and had reasonable grounds to assume the action would not harm the interests of the General Partner and/or the Limited Partner and/or the Partnership;

3. A monetary liability to be imposed on them in favor of another.

13.2 Notwithstanding the above, it shall not be possible to enter into a contract insuring the liability of the General Partner and/or the Limited Partner and/or Officers, nor to indemnify and/or exempt them from liability towards the General Partner and/or the Limited Partner and/or the Partnership, in respect of any of the following:

(1) Breach of fiduciary duty, except regarding indemnification and insurance for breach of fiduciary duty as stated in Section 13.1(d)(2) above;

(2) Breach of the duty of care committed intentionally or recklessly, except if committed only negligently;

(3) An act done with intent to unlawfully realize personal gain;

(4) A fine, civil fine, monetary sanction or forfeiture imposed on them;

An administrative enforcement proceeding, except for payment to a person injured by a breach as stated in Section 52(nd)54(a)(1)(a) of the Securities Law, or for expenses incurred by a titleholder in connection with an administrative enforcement proceeding, including reasonable litigation expenses and attorney's fees.

14. Limited Partner

14.1 The Limited Partner shall not participate in any way in the management of the Limited Partnership or its business, and shall not perform any legal act in the name of the Limited Partnership. Acts of the Limited Partner shall not bind the Limited Partnership.

14.2 The Limited Partner shall not be liable for the obligations of the Limited Partnership beyond the amounts it contributes to the capital of the Limited Partnership as stated above.

14.3 The Limited Partner is the sole owner of its rights under this Agreement vis-à-vis the General Partner and vis-à-vis the Limited Partnership, and nothing in this Agreement — including any reference to the provisions of the Trust Agreement and the prospectus regarding the public offering, or matters requiring the approval or consent of the Supervisor — shall be construed as conferring a right on anyone other than the Limited Partner itself under this Agreement, or as making it a partner in the Limited Partnership.

15. Supervisor

15.1 The Supervisor is not a partner in the Limited Partnership. Everything stated in the Limited Partnership Agreement and/or in the Ordinance regarding matters requiring the approval or consent of the Supervisor, or other authority given to the Supervisor, is intended solely to ensure the Supervisor's oversight that the General Partner's actions are carried out for the benefit of the Limited Partnership and without prejudicing the rights of the Limited Partner.

15.2 For the purpose of giving its approval, the Supervisor need not examine the terms of transactions or the economic reasonableness of decisions and transactions, but only whether the transactions and/or decisions, or the considerations underlying them, prejudice the rights of the Limited Partner.

15.3 The Supervisor shall not withhold a required approval except for reasons based on the considerations it must weigh as stated above, given in writing. The General Partner and the Limited Partner may each apply to the court requesting that it order the Supervisor to give an approval requested by either of them, if the court finds that granting the approval would not prejudice the rights of the unit holders.

15.4 Where an approval is required from the Supervisor under this Agreement, it shall have no effect unless given in writing. If an approval is requested, the Supervisor shall respond within a reasonable time, and in the event of refusal shall state the reasons why granting the approval would prejudice the rights of the unit holders.

16. Competition with the Limited Partnership

16.1 Subject to the provisions of any non-variable law, the controlling shareholders of the General Partner may compete with the Limited Partnership, and nothing in this Agreement shall prevent them from engaging in the business of oil and/or gas exploration and/or production, or any other business in which the Limited Partnership engages, during the term of the Limited Partnership Agreement.

16.2 Subject to the approvals required under any law, within the framework of a transfer to others of part of the Partnership's rights (including its Held Corporations) in oil assets — including to corporations in which the Partnership and/or the General Partner and/or interested parties therein have an interest and/or which they initiated for the purpose of raising capital for investment in the Partnership's capital, or for joint investment with it or acquisition of rights in oil assets from it — it may be determined that the transferees shall pay the General Partner and/or interested parties therein royalties in respect of the transferred rights from oil produced and/or profits derived from the relevant areas, at rates agreed between the transferees and the General Partner and/or its interested parties. Without derogating from royalty rights granted by the Partnership and/or its Held Corporations, the foregoing shall be subject to the General Partner or its interested parties, as applicable, confirming to the Partnership that, in respect of the portion of oil or profit rights for which they receive royalties from other corporations as aforesaid, there shall be no double payment of royalties by the Partnership and/or its Held Corporations.

17. Admission of Additional Partners and Change of Shares in the Limited Partnership

No additional partners shall be admitted to the Limited Partnership, and no change shall be made to any partner's share in the Limited Partnership, its profits or its losses, unless the General Partner has given its express consent thereto.

18. Engagement with Additional Parties in a Joint Operating Agreement

The General Partner may decide, on behalf of the Limited Partnership, that the Limited Partnership shall include additional parties in a joint venture whose purpose is to carry out oil and gas exploration in the oil assets in which the Limited Partnership and/or its Held Corporations have an interest.

19. Term of the Limited Partnership

The term of the Limited Partnership shall continue until its liquidation under the provisions of this Agreement, under law, or by agreement of the partners.

20. Amendments to the Limited Partnership Agreement

No amendment shall be made to this Agreement except by a further written agreement between the General Partner and the Limited Partner.

21. Resignation of the General Partner from its Duties

The General Partner shall resign from its duties under this Agreement upon the occurrence of any of the following:

21.1 If an order is given, or an effective resolution is adopted, for the winding up of the General Partner, other than winding up for the purpose of merger with another company or reorganization of the General Partner.

21.2 If a receiver is appointed for the General Partner or for a substantial part of its assets in a manner giving the receiver control over the General Partner's business.

21.3 If the General Partner becomes permanently unable to fulfill its obligations under this Agreement.

In any case where the General Partner resigns from its duties, another partner (who is not a limited partner) shall be appointed as soon as possible in its place to fulfill the duties of the General Partner under this Agreement, and if necessary an additional partner shall be admitted to the Partnership as general partner for this purpose, who shall invest in the capital of the Partnership an amount equal to 0.1% of the capital of the Limited Partnership (or another amount agreed by the partners), with its share in the Limited Partnership as to profits and losses corresponding to its share of investment in the capital of the Limited Partnership.

22. Liquidation

The Limited Partnership shall be liquidated upon the occurrence of any of the following:

22.1 If the date has arrived on which the Limited Partnership is to terminate in accordance with Section 19 above; or if the General Partner resigned from its position in accordance with Section 21 above and another general partner was not appointed in its place within 6 months following its resignation.

22.2 If the partners agreed to liquidate the Limited Partnership.

23. Exceptions to Liquidation

The Limited Partnership shall not be liquidated merely due to the occurrence of one or more of the following events:

23.1 An order was given for the winding up of the General Partner or receivership of its assets, or it became permanently unable to fulfill its obligations under this Agreement — in which case the General Partner shall resign from its duties and the provisions of Section 21 above shall apply.

23.2 An order was given for the winding up of the Limited Partner or receivership of its assets, or it became permanently unable to fulfill its obligations under this Agreement. In any such case, whoever is entitled and/or authorized by law to act in respect of the Limited Partner's assets shall take its place.

23.3 The units or other securities issued by the Limited Partner, or both together, were delisted from trading on the Stock Exchange.

24. Conduct of the Liquidation

24.1 If it is decided by agreement to liquidate the Limited Partnership as stated in Section 22.2 above, the General Partner shall liquidate its business, unless the court orders otherwise.

24.2 To the extent the court orders liquidation of the Partnership through the court, the liquidation shall be conducted by whoever is appointed by the court for this purpose, who may be the General Partner (if so ordered by the court), unless one of the events referred to in Sections 21.1 and 21.2 above has occurred, in which case another person or legal entity shall be appointed as liquidator (the General Partner or such person being referred to in this section as the "Liquidator").

24.3 The Liquidator shall have, for the purpose of conducting the liquidation, all the powers and authority held by the General Partner, and may continue to manage the Partnership's business until completion of the liquidation.

24.4 Upon the commencement and completion of the liquidation, the Liquidator shall cause the Partnership's accountants to prepare appropriate accounts of the Limited Partnership's assets, liabilities and operations as of the commencement date and the completion date of the liquidation.

24.5 The assets of the Limited Partnership shall be applied by the Liquidator in the following manner and order:

- **a.** Payment of the expenses of liquidating the affairs of the Limited Partnership.

b. Payment of the obligations of the Limited Partnership to those who are not partners therein.

c. Payment of the obligations of the Limited Partnership to the partners.

d. The balance of funds and assets of the Limited Partnership remaining after payment of the said obligations and expenses, or after the Liquidator sets aside funds and assets for that purpose, shall be distributed among the partners in proportion to each partner's share of the profits, expenses and losses of the Limited Partnership in accordance with Section 8 above.

25. Restriction on Transfer of Rights in the Limited Partnership

The transfer of the Limited Partner's rights in the Limited Partnership, or any part thereof, or their pledging, requires the consent of the General Partner, which may refuse the transfer and/or pledge at its discretion and for any reason it deems fit, without giving any reason for its refusal. The General Partner's approval may be given in advance for a certain type of case, for the entire term of the Limited Partnership or part thereof, and once given may not be revoked (the General Partner hereby gives its consent to the transfer of the Limited Partner's rights in the Limited Partnership in cases where, under the Trust Agreement, replacement of the trustee is permitted).

26. Governing Law and Jurisdiction

This Agreement is subject to the laws of the State of Israel, and the parties agree that the place of jurisdiction in all matters relating to this Agreement shall be the courts of the Tel Aviv District.

27. Consolidated Version

The Limited Partner and the General Partner may, from time to time, combine the provisions of the Limited Partnership Agreement, together with any changes and amendments thereto, into a consolidated version reflecting all such changes and amendments. Such consolidated version shall be deemed to constitute the governing version of the Agreement between the parties. In the consolidated version, it shall be permitted to make necessary wording changes, change the order of sections, combine or divide them into sub-sections, and divide the Agreement into chapters with appropriate headings.

28. Power of Attorney

The General Partner is hereby granted a power of attorney to sign, on behalf of the partners and the Partnership, any document, and to perform on their behalf any legal act it deems fit for the purpose of registering the Partnership under the laws of the State of Israel. The General Partner shall be authorized to grant a power of attorney to an attorney or other person, as it deems fit, to carry out on its behalf and on behalf of the partners and the Partnership any such act.

29. Notices

Notices under this Agreement, or in connection therewith, shall be delivered by hand, ordinary mail, facsimile, or electronic mail. The delivery date of notices delivered by hand shall be the day of hand delivery. The delivery date of notices sent by mail to the addresses set out at the head of this Agreement, or other addresses notified, shall be deemed to be the fourth day after mailing.

IN WITNESS WHEREOF the parties have signed:

______________________	______________________
Ratio Petroleum Energy Trusts Ltd.	**Ratio Petroleum Ltd.**

Limited Partner	General Partner