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**ICL'S NEGOTIATIONS REGARDING DEAD SEA SALT
HARVESTING TO ACCELERATE**

*-- Government and ICL Controlling Shareholder, Israel Corp,
Agree to Accelerate Negotiations --*

Tel – Aviv, Israel, September 12, 2011 – ICL (TASE:ICL), a multinational fertilizer and specialty chemicals company, yesterday announced the resumption and acceleration of its negotiations with Israel's Ministry of Finance regarding a comprehensive solution to outstanding issues surrounding the harvest of salt from the Company's Dead Sea Works' Pond 5.

During a meeting held on September 8 between Mr. Yuval Steinitz, Israel's Finance Minister, and Mr. Amir Elstein, Chairman of the Board of Israel Corp., ICL's controlling shareholder, the parties agreed to resume and accelerate the negotiations.

Commenting on the meeting, Mr. Dani Chen, President & CEO of ICL Fertilizers and Dead Sea Works stated, "ICL welcomes the resumption of negotiations with the government. We are confident that we can reach an agreement that will include Dead Sea Works' share of the costs required to harvest the salt at Pond 5. ICL shares the Finance Minister's opinion that an equitable solution must reflect the public interest while also recognizing the importance and significant contribution of Dead Sea Works to the revenues of the State and Israel's population in the South, as well as ICL's contribution to the value of long-term investments and pensions held by the Israeli public. It is important to bear in mind that most of the equity of the company is held either directly or indirectly by the general public."

Mr. Chen added, "We are interested in reaching an agreement with the government that resolves the Dead Sea issue. From the outset, Dead Sea Works has supported the salt harvest solution from among the alternatives proposed. While we agree that this project must be undertaken as soon as possible, it is important to remember that the harvest will occur in a pond that was built by Dead Sea Works approximately 60 years ago and which now serves as a coast for the hotels located in the vicinity of the Dead Sea. Dead Sea Works' activities at the Dead Sea represent a significant portion of industrial activity in the Negev. We trust that the Government will act responsibly

by advancing the project for the benefit of all parties concerned, and look forward to a successful conclusion of the negotiations.”

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About ICL

ICL is one of the world’s leading fertilizer and specialty chemicals companies. For a world challenged by population growth and scarce resources, ICL makes products that increase global food and water supplies and improve industrial materials and processes.

ICL produces approximately a third of the world’s bromine and is the 6th largest potash producer in the world. ICL is a leading supplier of fertilizers in Europe and a major player in specialty fertilizer market segments. One of the world’s most integrated manufacturers and suppliers of phosphate products, ICL has become the world’s leading provider of pure phosphoric acid and a major specialty phosphate player.

ICL is comprised of three core segments: ICL Fertilizers, ICL Industrial Products and ICL Performance Products. Its major production activities are located in Israel, Europe, the US, South America and China, and are supported by major global marketing and logistics networks. ICL benefits from exclusive concessions to extract minerals from Israel’s Dead Sea, a vast source of high-quality and low-cost potash, bromine, magnesium chloride and sodium chloride. ICL also mines phosphate rock from Israel’s Negev Desert and potash and salt from its mines in Spain and the UK.

ICL's shares are traded on the Tel Aviv Stock Exchange (TASE: ICL).

Forward Looking Statement

This press release contains forward-looking assessments and judgments regarding macro-economic conditions and the Group’s markets, and there is no certainty as to whether, when and/or at what rate these projections will materialize. Management’s projections are likely to change in light of market fluctuations, especially in ICL’s manufacturing locations and target markets. In addition, ICL is likely to be affected by changes in the demand and price environment for its products as well as the cost of shipping and energy, whether caused by actions of governments, manufacturers or consumers. ICL can also be affected by changes in the capital markets, including fluctuations in currency exchange rates, credit availability, interest rates, etc.