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**ICL SIGNS NEW POTASH SUPPLY AGREEMENT WITH KEY
INDIAN CUSTOMER**

-To Supply 1M Tons Over 8-Month Period at an Average Price of \$490/Ton –

Tel – Aviv, Israel, August 7, 2011 – ICL (TASE:ICL), a multinational fertilizer and specialty chemicals company, today announced that ICL Fertilizers has completed a new potash supply agreement with its primary customer in India.

Under the terms of the agreement, ICL Fertilizers will supply the customer with one million tons of potash for an 8-month period from August 2011 to the end of March 2012 at an average price of \$490 per ton. This is \$120 per ton higher, on average, than the price established in the agreement that was in effect during 2010-2011. ICL Fertilizers also has the option to supply an additional 100,000 tons under the same terms.

This agreement emphasizes the importance of India as one of ICL Fertilizers' primary target markets and underscores the logistical advantage of the Company's location in Israel.

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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.