



PRESS CONTACT

Fleisher Communications and Public Relations

Amiram Fleisher

+972-3-624-1241

amiram@fleisher-pr.com

**ICL AND, DUC GIANG, TO COOPERATE
IN MINING AND PROCESSING PHOSPHATE IN VIETNAM**

*-- Memorandum of Understanding Underscores ICL's Implementation of
its Recently Announced "Next Step Forward" Strategy
to Secure Additional Sources of Phosphate Worldwide --*

Tel – Aviv, Israel, September 2, 2013 – ICL (TASE:ICL), a leading specialty minerals company that fulfills essential needs of the world's growing population, today announced the signing of a memorandum of understanding agreement ("MOU") with Duc Giang, a privately-owned Vietnamese company, in which the parties will cooperate in building and expanding a phosphate platform in Vietnam to serve the country and the wider South East Asian market. The agreement calls for joint activities to mine phosphate and to establish factories to process phosphate in the Bao Thang province of Vietnam for a variety of uses in ICL's 3 core markets food, agriculture and engineered materials.

The MOU was signed in the presence of Vietnam's Ambassador to Israel in line with ICL's recent "Next Step Forward" strategy, and it is an expression of the two companies desire to enter into a process to seriously examine the possibility of future cooperation that would enable ICL to increase and diversify its mining sources outside of Israel, broaden its global activities in the phosphate sector and provide ICL with a growth engine for the primary markets in which ICL operates. Phosphates represent a key element of ICL's activities in the food, agriculture and engineered materials sectors, and the Company recently announced its intention to increase and expand its phosphate-related activities.

Building the platform in Vietnam is not intended to replace ICL's activities in Israel but aims to strengthen its overall franchise in the phosphate markets globally, especially in Asia. The new joint company may also supply several ICL customers and plants currently served by the Company's Israeli platform located in the Negev, should activities there cease due to the expiration of mining permits several years from now.

Going forward, the two companies are engaging in joint activities to evaluate the expansion of phosphate mining activities in Vietnam, including the manufacture of downstream products based on phosphates, and both ICL and Duc Giang believe their cooperation will be productive and serve as the basis for the further expansion and

intensification of cooperation between the two companies in Vietnam and surrounding countries.

Duc Giang is a manufacturer of thermal acid (P4), and it is in the process of expanding its activities in this area, by, among other things, engaging in a project to broaden its fertilizer activities and produce phosphoric acid for the fertilizers and food industries. The two companies believe that cooperation between them will assist in the development of local industry in Vietnam, in general, and the phosphate industry, in particular.

About ICL

ICL is a leading specialty minerals company that fulfills essential needs of the world's growing population, primarily in three markets: agriculture, food and engineered materials. The Company's diversified portfolio of products help to increase global food supplies, improve industrial materials and processes, and make energy exploration activities more efficient and eco-friendly.

ICL produces approximately a third of the world's bromine, and is the sixth largest potash producer as well as the leading provider of pure phosphoric acid. It is a major manufacturer of specialty fertilizers and specialty phosphates, flame retardants and water treatment solutions. ICL's mining and manufacturing operations, located in Israel, Europe, the Americas and China, are supported by a global distribution and supply network.

ICL benefits from a number of unique advantages, including its vertically integrated activities and complementary and synergistic downstream operations for the production of unique end products; its balanced and varied product portfolio in growing markets; and its worldwide presence with proximity to major global markets in developing regions.

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.