

Translation from the Hebrew. The binding version is in the Hebrew.

Form 046 Public

August 1st, 2006

Reference: 2006-01-066430

The Securities Authority

The Tel Aviv Stock Exchange Ltd.

www.isa.gov.il

www.tase.co.il

Immediate report on Convening of a Shareholders Meeting

Regulation 36B (a) and 36C to Securities Regulations
(Periodic and Immediate Reports), 5730 – 1970

Explanation: If one of the items on the agenda of the Meeting is approval of a transaction with a controlling interest or approval of an exceptional proposal, Form 133 or Form 138, respectively, must be filled out.

1. On July 31st, 2006, it was resolved to call a Special General Meeting, to be convened on Tuesday September 5, 2006, at 9:30 am.
The security listed in the Tel Aviv Stock Exchange the holder of which is eligible to participate in the meeting is 281014.
Address: 23 Aranha Street, Millennium Tower (23rd floor), Tel Aviv.
2. The determining date for eligibility to attend and vote at the Meeting, if any, is 06/08/2006.
3. The agenda:
 - a. *Appointment of Mr. Yaacov Dior as External Director of the Company.*
 - b. *Appointment of Prof. Yair Orgler as External Director of the Company.*
 - c. *Appointment of Mr. Victor Medina as a Director of the Company.*

Explanation: Details of the items on the agenda: Alongside each of the items a description of the nature of the item will appear, stating the main facts required for properly understanding each matter requiring a vote at the Meeting, and the text of each proposed resolution or a brief description of its main points will appear. In addition, the majority required will be stated for each item on the agenda.

The text of the proposed resolutions or a brief description of their main points:

a. *Proposed Resolution:*

1. ***To extend the appointment of Mr. Yaacov Dior as External Director for an additional period of three years.***

2. To approve the appointment of Prof. Yair Orgler as an External Director of the Company..

b. Proposed Resolution:

To appointment Mr. Victor Medina as a director of the Company, in addition to the existing members of the board of directors.

4. Attached is a Proxy form*

5. The quorum for holding the Meeting:

The legal quorum will be reached at the time when at least two members are present, either in person or via proxy, who together hold more than 50% of the outstanding voting shares of the Company.

6. In the absence of a quorum, the adjourned Meeting will be held on September 9th, 2006 at 09:30 am, at 23 Aranha Street, Millennium Tower (23rd floor), Tel Aviv.

7. The place and times at which the text of proposed resolutions that were not fully presented in the agenda above can be read:

The full text of any resolution which was not fully cited above is available for review with the General Counsel and Company Secretary, Adv. Aner Berger, on Sunday through Thursday, at regular work hours, after coordination in advance (tel: 03-684-4412).

Notes:

1. The majority required in a General Meeting (including a postponed meeting, if it will be held) for matters 1a and b on the aforementioned agenda is a majority vote of the shareholders present, in person or via a proxy, who are authorized to participate in the meeting, provided that one of the following conditions is met:

a. The majority at the Meeting must include at least one third of all of the votes of shareholders who are not holders of controlling interests in the Company or representatives of such persons, participating in the vote; abstentions shall not be taken into account in counting the votes of such shareholders;

b. The total number votes against the appointment from amongst the shareholders referred to in paragraph (a) shall be no greater than one percent of the total voting rights in the Company.

The majority required at the Meeting (including at an adjourned meeting, should there be one) for the passing of the proposed resolution no. 2 on the agenda, shall be the majority of the votes of the shareholders present in person or by proxy or by voting warrant, and who are eligible to participate

in the Meeting. Abstentions shall not be taken into account in counting the votes of such shareholders.

2. *The right to participate in the vote: A shareholder may nominate a proxy who may participate and vote at the meeting on his behalf according with the conditions set out in the Articles of Association of the Company. The proxy statements will be deposited with the Company Secretary in the Company's registered office at least 48 hours before the time set for the Shareholders' Meeting or the deferred meeting.*

3. *In accordance with the Companies Regulations (Proof of Ownership of Shares for Purposes of Voting at a General Meeting), 5760 – 2000 (the "Regulations"), a shareholder whose shares are registered on his benefit with a member of the Tel Aviv Stock Exchange Ltd., and which shares are included in the Company's name with the shares of the Company registered in the registry of shareholders of the Company, and who is interested in voting at the Meeting, should produce a consent for the Company from the member of the Stock Exchange stating that the shares are registered with it for his benefit, and were owned by him as of the Determining Date, in accordance with Regulation 2 of the Regulations and Form 1 of the addenda to the Regulations.*

4. *Voting by way of letter of proxy*
Under the provisions of the Companies (Voting in Writing and Notices of Position) Regulations 5765-2005 (the "Voting Regulations"), it is possible to participate in the Meeting by way of a letter of proxy attached hereunder. The Company has resolved to allow voting by letter of proxy at this Meeting, including on matters that do not require a letter of proxy to be sent out. Likewise, shareholders may contact the Company Secretary directly, in order to obtain the details set out in the latter part of this Notice, and to obtain the wording of the letter of proxy. It shall not be possible to vote via the internet.

Under the Voting Regulations:

A shareholder who wishes to participate in a meeting of shareholders by way of a letter of proxy may do so on the second part of the letter of proxy, as attached hereunder. The letter of proxy must be delivered to the Company or sent to it by registered mail together with a certificate of title, in the event of an unregistered shareholder; and together with a photocopy of the shareholder's identity card or passport or certificate of incorporation, in the event of a shareholder listed on the register of shareholders, provided that the letter of proxy arrives at the registered office of the Company no later than 72 hours prior to the date of convening of the General Meeting.

A shareholder may, up to 24 hours prior to the time of the Meeting, contact the registered office of the Company, and, after proving his identity, withdraw his letter of proxy or cancel his vote. Should he do so, he may only vote during the course of the Meeting itself.

The stock exchange member must send by email, for no consideration, a link to the form of letter of proxy on the distribution site to every shareholder not listed on the register of shareholders, whose shares are registered with such stock exchange member, if the aforesaid shareholder gives notice that he so desires, provided that such notice is given with respect to a particular securities account, and on a date prior to the Date of Determination.

A shareholder whose shares are registered with a stock exchange member shall be entitled to receive a certificate of title from the stock exchange member through which the shareholder holds its shares, at the stock exchange member's branch office or by mail to his address, in return for postage fees only, should he so request. Requests in this regard shall be made in advance, to a particular securities account.

The final date for submitting notices of position to the Company shall be 10 days after the Date of Determination, as set out above.

- 5, *If, after half an hour from the appointed time for the Meeting a legal quorum is not present, the Meeting will be postponed to the following week, on the same day, at the same time and at the same location. If at the deferred Meeting a legal quorum is not present after a half hour from the appointed time for the Meeting – at that point two members with voting rights, present in person or via proxy, holding at least one-third of the outstanding capital stock of the Company will constitute a legal quorum.*

5. *For information on the Mr. Yaacov Dior, as per Regulation 26 of the Securities Regulations (Periodic and Immediate Reports), 5730 – 1970. (Hereafter: "Immediate Report Regulations") see the Chapter " Additional information on the Company in the periodic report of the company for the year 2005, published on March 29th, 2006 (reference: 2006-01-028137), on the on the distribution website run by the Securities Authority and in the proxy statement form attached to this immediate report. For information on Professor Yair Orgler and Mr. Victor Medina, as per Regulation 26 of the Immediate Report Regulations, see the proxy statement form attached to this immediate report.*

Reference of former documents in this regard (referring does not constitute incorporation by reference):

Former name of reporting entity:

Form structure updated 04/06/2006

Name of Electronic Reporter: Aner Berger. Position: General Counsel and Company Secretary.

Aranha 23, Millennium Tower, Tel Aviv 61070. Phone – 03-6844412, Fax: 03-6844435, e mail – anerb@icl-group.com

- * A copy of the Proxy Statement (in the Hebrew) can be downloaded from the distribution internet site of the Israeli Securities Authority at:
<http://www.magna.isa.gov.il>