



OIL REFINERIES RECEIVES NOTICE THAT ISRAEL PETROCHEMICALS ENTERPRISES RECEIVED CONTROL PERMIT

Haifa, Israel, May 7, 2009 - Oil Refineries Ltd. (TASE: ORL.TA) ("ORL"), Israel's largest oil refiner, received today from Israel Petrochemicals Enterprises ("IPE"), which holds 15.76% in ORL, its announcement on the receipt of a control permit under the Government Companies Decree (announcement on vital interests of the State in Oil Refineries Ltd. (2007)). Please find below a convenience translation from Hebrew of IPE's announcement.

Israel Petrochemical Enterprises Ltd., (the "Company"), 8 Shaul Hamelech Street, Tel Aviv 64733
Tel. 03-6955559; Fax: 03-6964111

May 7, 2009

Messrs
Securities Authority
Through the Magna Clearing

Messrs
Tel Aviv Stock Exchange Ltd.
Through the Magna Clearing

Immediate Report – Notice on an Event or Matter Deviating from the Company's Regular Business

1. Following the Company's announcements from February 24, 2008, August 12, 2008, May 20, 2008 and March 22, 2009, with regards to the receipt of the control permit in Oil Refineries Ltd. ("ORL"), the Company is pleased to report that on May 7, 2009, it received a permit to control and hold a control means in ORL according to the Government Companies Decree (announcement on vital interests of the State in Oil Refineries Ltd. (2007) – ("Control Permit") signed by the Prime Minister and the Minister of Finance (the "Ministers").
2. The recipients of the Permit are the Company, Petroleum Capital holdings Ltd. ("Petroleum") – a wholly owned subsidiary of the Company ("Permit Holder") and the persons which are a controlling parties in the company.
3. Under the Control Permit, the Permit Holder is eligible, together with the Israel Corporation Ltd. (the "Israel Corp."), to be a controlling holder and to hold 24%, or more, of the control in ORL based on the joint control agreement between the Israel Corp., the Company and Petroleum, attached to the letter of commitment of the Israel Corp. and Petroleum from June 1, 2008 (the "Joint Control Agreement")
4. The Control Permit is valid, however it is not possible to operate by its virtue unless the two following are fulfilled within 30 days:
 - 4.1. The validation or the complete fulfillment of the series of agreements ("Series of Agreements") signed between Modgal Ltd. ("Modgal"), and Modgal Industries (99) Ltd., ("Modgal Industries") (controlling parties in the Company) with Charabancs N.V, with regards to the said Series of Agreements, see the Company's Hebrew immediate report dated March 22, 2009. The Company has been notified by

Modgal and Modgal Industries that they are moving to have the Series of Agreements validated and fully completed.

- 4.2. Validation of the Joint Control Agreement. It should be noted that based on the terms of the Israel Corp.'s Letter of Commitment, to the Company and Petroleum from June 1, 2008, the Joint Control Agreement will be rendered valid if and so long as the Control Permit is received by May 10, 2009.
5. The Permit includes directives relating to the meeting of requirements, terms and commitments outlined in the Permit, both by the Company and by the Controlling Shareholders in the Company, including preserving the control of the individual controlling shareholders in the Company, as well as preserving the current holding structuring in both the Company and Petroleum, in a manner whereby the holding of these sole Controlling Holders in the Company will be over 36%. The Permit is also subject to the validity of the Control Permit granted to the Israel Corp. in ORL on June 27, 2007.
6. So long as the condition in section 4.1 above are met, and the Company will be eligible to enforce its Control by the power of the Control Permit, this will have a material impact on the Company's financial statements. The Company is reviewing this impact.

Respectfully,

Israel Petrochemical Enterprises Ltd.

ABOUT OIL REFINERIES

Oil Refineries Ltd. (ORL), located in the bay area of the city of Haifa, operates Israel's largest oil refinery. ORL operates sophisticated and state-of-the-art industrial facilities with refining capacity of 9 million tons of crude oil per year, with a Nelson complexity index of 7.4, providing a variety of quality products used in industrial operation, transportation, private consumption, agriculture and infrastructure. The Company is also active in the area of Aromatics and Polymers through wholly-owned Gadiv Petrochemical Industries Ltd. and 50% owned Carmel Olefins Ltd. ORL is traded on the Tel Aviv Stock Exchange under the ticker ORL. For additional information please visit the Company's website: www.orl.co.il

CONTACTS

Company Contact:

Igal Salhov, Chief Financial Officer, Oil Refineries
Tel. 972 4 878 8152
ContactIREn@orl.co.il

Investor Relations Contact:

Ehud Helft \ Fiona Darmon
GK Investor Relations
Tel. (US) 1 646 797 2868 \ (Int.) 972 54 566 3221
info@gkir.com