



Oil Refineries Notifies on Report Issued by IPE Relating to the Carmel Olefins Transaction

Haifa, Israel, November 27, 2008 - Oil Refineries Ltd. (TASE: ORL.TA) (the "Company"), Israel's largest oil refiner, announced that Israel Petrochemical Enterprises ("IPE") published a transaction report with respect to the Company's Agreement to purchase the balance of shares in Carmel Olefins, in exchange for the allocation of the Company's shares to IPE (the "Transaction" and the "Agreement", respectively) (for additional information please view the translated Transaction Report dated July 13, 2008 available under investor relations on the Company's website, www.orl.co.il). The Transaction Report IPE published relates to an outline under discussion between IPE and the entity authorized to grant permits under the Government Companies' decree (declaration of the country's vital interests in Oil Refineries Ltd.) 2007, that will enable issuing IPE a temporary control permit in the Company. The permit, under the said decree, is a precondition for the completion of the Transaction. There is no certainty if and when the temporary control permit described in the IPE report will be granted.

Furthermore, the Company wishes to note that since the said temporary control permit for the alternative outline has not yet been granted, and the terms have not yet been defined, an addendum to the agreement, which organizes the completion of the agreement under the alternative outline, has not yet been signed.

The full immediate report filed by IPE is available in Hebrew on the website of the Israeli Securities Authority (www.magna.isa.gov.il) or Tel Aviv Stock Exchange (www.maya.tase.co.il). Furthermore, it is also available in Hebrew on the Company's website, under investor relations.

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

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