

Borealis and NOVA Chemicals enter Preliminary Agreement with Total to meet growing global demand for polyethylene

Borealis AG and NOVA Chemicals Corporation (“NOVA Chemicals”) signed a preliminary agreement to form a joint venture (JV) with Total Petrochemicals and Refining USA, Inc. (“Total”) that will develop and own a new light feed cracker and a new Borstar[®] polyethylene (PE) facility in Bayport, Texas.

Key aspects of the JV will include:

- building a new 1000 ktpa (2.2 b lb) ethylene cracker in Port Arthur, Texas
- building a new 625 ktpa (1.35 b lb) Borstar[®] PE plant in Bayport, Texas
- Total’s existing Bayport PE facility, total capacity 400 ktpa (880 m lb)

The JV is expected to be established in late 2017* and the final investment decision on the Borstar[®] PE plant will be taken simultaneously. The ethylene cracker and Borstar[®] PE plant are planned to start-up in late 2020.

The JV will create significant synergies by enabling strong integration of the value chain and the first-time use of the proprietary Borstar[®] PE process technology in the Americas. It will also provide competitive export access to markets outside of North America to help meet the growing global demand for PE.

“Working in a JV with NOVA Chemicals and Total on a cost-effective brownfield investment project, integrated with a cracker, is an attractive opportunity. We can also leverage our proven technology and benefit from large scale experience gained in other projects (e.g. Borouge) and develop the project together with NOVA Chemicals,” said Borealis CEO Mark Garrett.

“This opportunity will complement NOVA Chemicals’ existing asset structure in Canada and broaden our PE product slate as we continue to grow our business in the Americas to deliver products that make everyday life healthier, safer and easier,” stated Todd Karran, President and CEO, NOVA Chemicals. “It also paves the way for NOVA Chemicals to collaborate further with Borealis as part of the IPIC family of companies,” continued Karran.

* *Pending regulatory approvals*

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About Borealis

Borealis is a leading provider of innovative solutions in the fields of polyolefins, base chemicals and fertilizers. With its Head Office in Vienna, Austria, the company currently has around 6,600 employees and operates in over 120 countries. Borealis generated EUR 7.2 billion in sales revenue and a net profit of EUR 1,107 million in 2016. The International Petroleum Investment Company (IPIC) of Abu Dhabi owns 64% of the company, with the remaining 36% belonging to Austria-based OMV, an integrated, international oil and gas company. Borealis provides services and products to customers around the world in collaboration with Borouge, a joint venture with the Abu Dhabi National Oil Company (ADNOC).

About NOVA Chemicals

NOVA Chemicals develops and manufactures chemicals and plastic resins that make everyday life safer, healthier and easier. Our employees work to ensure health, safety, security and environmental stewardship through our commitment to sustainability and Responsible Care®. NOVA Chemicals, headquartered in Calgary, Alberta, Canada, is a wholly owned subsidiary of the International Petroleum Investment Company (IPIC) of the Emirate of Abu Dhabi, United Arab Emirates.

About Total

Total is a global integrated energy producer and provider, a leading international oil and gas company, and a major player in solar energy with SunPower and Total Solar. Our 98,000 employees are committed to better energy that is safer, cleaner, more efficient, more innovative and accessible to as many people as possible. As a responsible corporate citizen, we focus on ensuring that our operations in more than 130 countries worldwide consistently deliver economic, social and environmental benefits.

For more information visit:

www.borealisgroup.com
www.novachem.com
www.total.com

Borstar is a registered trademark of the Borealis Group.