

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

Calgary, Alberta (March 27, 2017) - NOVA Chemicals Corporation (“NOVA Chemicals”) and Borealis AG (“Borealis”) 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 2.2 b lb (1000 ktpa) ethylene cracker in Port Arthur, Texas
- Building a new 1.35 b lb (625 ktpa) Borstar PE plant in Bayport, Texas
- Total’s existing Bayport PE facility, total capacity 880 m lb (400 ktpa)

The ethylene cracker and Borstar PE unit are expected to start-up in late 2020. A final investment decision is expected in late 2017, pending NOVA Chemicals’ Board and regulatory approvals and execution of definitive agreements.

The JV is expected to 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 is also expected to provide competitive export access to markets outside of North America to help meet the growing global demand for PE.

“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.