

Media Release

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Borealis signs long-term ethane supply contract with Antero Resources

Borealis, a leading provider of innovative solutions in the fields of polyolefins, base chemicals and fertilizers, has signed a 10-year agreement with Antero Resources to supply ethane from the United States for its flexible steam cracker in Stenungsund, Sweden. The project also includes a shipping agreement with Navigator Holdings and a related multi-million investment in an upgrade of the cracker and the construction of an ethane storage tank. The ethane supplied from the US complements the recently signed ethane supply contract with Statoil providing Borealis with an alternative attractive source of feedstock for its petrochemical plant in Sweden.

Supply and shipping agreements with Antero Resources and Navigator Holdings

Antero Resources will supply ethane originating from the Marcellus and Utica shale formations to Borealis in Stenungsund. The company has signed parallel fractionation, pipeline and terminal service contracts to enable free on board (FOB) delivery at the Marcus Hook terminal operated by Sunoco Logistics. The first delivery of ethane is planned for late 2016.

A related long-term shipping agreement has been signed with US-listed Navigator Holdings, one of the largest owners and operators within the handysize liquefied gas carrier segment. For this purpose, Navigator will build a new, 35000 cbm state-of-the-art ethane vessel equipped with dual fuel engines. The vessel will be among the most modern in the world and will ensure cost effective, safe and reliable transport of ethane to Stenungsund.

Related multi-million investment in Stenungsund

The ethane supply coming to Stenungsund by ship will be stored in a purpose-built, fully refrigerated ethane tank. A lump-sum turnkey agreement has been signed with TGE Gas Engineering GmbH to construct the tank. In parallel, Borealis will also upgrade its steam cracker to enable increased ethane cracking.

Borealis' cracker in Stenungsund is one of the most feedstock-flexible crackers in Europe. In addition to ethane, it can also crack naphtha, propane and butane. Stenungsund has significant liquefied petroleum gas (LPG) storage capacity, allowing the company to source LPG from various sources with vessel sizes ranging up to very large gas carriers.

“We need to take advantage of the significant shift in ethane availability triggered by the US shale gas boom,” says Mark Garrett, Borealis Chief Executive. “In an increasingly challenging environment in Europe this is an exciting opportunity to increase the competitiveness of our integrated polyolefins business.”

“The ethane contract with Antero Resources in combination with the recently renewed North Sea-based ethane contract with Statoil provides us with an ideal portfolio of sources balancing cost competitiveness and supply security,” comments Markku Korvenranta, Borealis Executive Vice President Base Chemicals. “This contract and the related investments underline our commitment to further strengthen our monomer position in Europe.”



Ground preparations for a new purpose-built, fully refrigerated ethane tank at Borealis site in Stenungsund have started. © Borealis

Note to editors

Borealis' olefins and polyolefins portfolio in Europe is built around integrated crackers and derivative complexes in:

- Porvoo, Finland
- Stenungsund, Sweden
- Kallo, Belgium
- Schwechat, Austria
- Burghausen, Germany

Borealis' Polyolefins capabilities position the company among the leading and most innovative suppliers to the polyethylene (PE) and polypropylene (PP) market in Europe.

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Antero Resources

Antero Resources is an independent oil and natural gas company engaged in the acquisition, development and production of unconventional oil and liquids-rich natural gas properties located in the Appalachian Basin in West Virginia, Ohio and Pennsylvania. Our website is www.anteroresources.com.

Navigator Holdings

Navigator Gas is the owner and operator of the world's largest fleet of handysize liquefied gas carriers and provides international and regional seaborne transportation services of liquefied petroleum gas, petrochemical gases and ammonia for energy companies, industrial users and commodity traders. Navigator's fleet consists of 36 semi- or fully-refrigerated liquefied gas carriers, including twelve newbuildings scheduled for delivery by the end of December 2016.

TGE Gas Engineering

TGE Gas Engineering GmbH is one of the world's leading contractors for the engineering, procurement, construction and project management of gas storage, handling and processing plants for the energy, oil and gas, petrochemical and chemical industries. Founded in 1980, TGE has substantially expanded its expertise over recent years, becoming a major force in the market. TGE's customers can rely on its clear and unchanged corporate principles based on quality, reliability and stability. Its technical competence helps customers to stay successful and competitive at all times. With offices located around the world, TGE is in the position to provide the best solutions for its customers worldwide. TGE sees itself as a long-term partner and solutions provider.

Borealis is a leading provider of innovative solutions in the fields of polyolefins, base chemicals and fertilizers. This year, Borealis already celebrates its 20th anniversary. With headquarters in Vienna, Austria, Borealis currently employs around 6,400 and operates in over 120 countries. It generated EUR 8.1 billion in sales revenue in 2013. The International Petroleum Investment Company (IPIC) of Abu Dhabi owns 64% of the company, with the remaining 36% owned by OMV, the leading energy group in the European growth belt. 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).

Building on its proprietary Borstar® and Borlink™ technologies and 50 years of experience in polyolefins, Borealis and Borouge support key industries including infrastructure, automotive and advanced packaging.

The Borouge 3 plant expansion in Abu Dhabi will be fully operational in 2014. Borouge 3 will deliver an additional 2.5 million tonnes of capacity when fully ramped up, bringing the total Borouge capacity to 4.5 million tonnes. Borealis and Borouge will then have approximately 8 million tonnes of polyolefin capacity.

Borealis offers a wide range of base chemicals, including melamine, phenol, acetone, ethylene, propylene, butadiene and pygas, servicing a wide range of industries. Together with Borouge the two companies will produce approximately 6 million tonnes of Base Chemicals in 2014.

Borealis also creates real value for the agricultural industry with a large portfolio of fertilizers. The company distributes approximately 2.1 million tonnes per year. This volume will increase to more than 5 million tonnes by the end of 2014.

Borealis and Borouge aim to proactively benefit society by taking on real societal challenges and offering real solutions. Both companies are committed to the principles of Responsible Care®, an initiative to improve safety performance within the chemical industry, and contribute to solve the world's water and sanitation challenges through product innovation and their Water for the World™ programme.

For more information visit:

www.borealisgroup.com
www.borouge.com
www.waterfortheworld.net

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