

PRESS RELEASE

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Keltic Petrochemicals Selects Univation's UNIPOL™ PE Gas-Phase Process for New Lines in Nova Scotia

Lines are part of a mega petrochemical complex planned for 2008

HOUSTON, Texas (December 1, 2004) – Keltic Petrochemicals, headquartered in Halifax, Nova Scotia, has selected the UNIPOL PE Gas-Phase process for its Canadian grassroots petrochemical complex to be constructed at Goldboro, Nova Scotia. The nearly \$3 Billion U.S. Dollar petrochemical complex will include two UNIPOL PE lines, each with a design capacity of at least 350,000 tonnes per annum, fed by a world-class gas cracker of 1.5 million tonnes design. Start-up is planned for second half 2008.

Under the terms of the letter of intent signed today in Halifax, Univation will immediately begin work on the Process Design Package with Front End Engineering Design (FEED) performed by Stone & Webster, Canada LP. The new UNIPOL PE Lines will be capable of producing both linear-low and high-density polyethylenes using Univation conventional and advanced catalysts. This will include the capability to produce metallocene PEs as well as breakthrough single reactor bimodal HDPE, using Univation's PRODIGY™ Bimodal Catalysts. In addition, the new lines will be able to operate using Univation's Super Condensed Mode Technology (SCM-T) thus capitalizing on proven high capacity production technology.

"Keltic will be strategically positioned to deliver the full breadth of products needed for the demanding North American PE market by having access to the world's leading gas-phase PE technology," said Kevin Dunn, Keltic's president. "The new plant will position Keltic to be a major player in a very competitive PE industry. Keltic expects its customers will demand a broader portfolio of products, and the UNIPOL PE technology ensures a competitive advantage for Keltic and its customers alike. In addition, the capability of the technology to be easily and cheaply expanded in excess of 500 kta in a single reactor system was a very important consideration in the Keltic selection."

John Verity, Univation's president, said, "This license further confirms the value advantage of Univation's UNIPOL PE technology. In the marketplace, Keltic will benefit from this low cost, high capacity UNIPOL PE process and will be able to deliver a broad portfolio of commercially demonstrated market leading products to its demanding customer base. Additionally, Keltic is yet another licensee in the world to express a vote of confidence in Univation's breakthrough PRODIGY bimodal HDPE technology."

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Keltic Petrochemicals Inc. was formed in March 2000 by W. Kevin Dunn, a native Nova Scotian and long-time Calgary area businessman. Mr. Dunn witnessed the unprecedented growth in Alberta as a result of developments in the oil and gas industry and recognized the potential for similar opportunities in his home province. Keltic plans to develop, construct, and operate a world-scale petrochemical plant in Goldboro, Nova Scotia, the first of its kind in Atlantic Canada. When completed, the facility will consist of ethylene, polyethylene, propylene and polypropylene plants as well as a supporting cogeneration plant and receiving terminal for liquefied natural gas (LNG). Keltic will have an annual production capacity of 1,450,000 tonnes. Visit Keltic Petrochemicals website at www.kelticpetrochemicals.ca.

WestLB AG, North American Investment Banking, is Keltic Petrochemical's exclusive financial advisor with respect to the development and financing of the Company's planned facilities in Goldboro, and lead arranger/underwriter on all capital raising initiatives in connection with this undertaking. WestLB AG is an international commercial and investment bank with total assets of Euro\$ 256.2 billion. WestLB operates in international markets through a network of offices in thirty-five countries and is rated AA by Standard and Poors, Aa1 by Moody's and AAA by Fitch IBCA. For further information, please contact Thomas W. Sloop, Executive Director Oil & Gas Group, WestLB Houston Representative Office, at 713-963-5354.

Univation Technologies, headquartered in Houston, Texas, is a joint venture between ExxonMobil Chemical Company and The Dow Chemical Company. Univation has comprehensive technology programs focused on the UNIPOL™ polyethylene gas-phase process, XCAT™ Metallocene Catalyst, PRODIGY™ Bimodal Catalysts as well as conventional Ziegler-Natta and chrome-based catalysts trade named UCAT™ Conventional Catalysts. Additionally, the company licenses capacity-expanding Super Condensed Mode Technology.

Visit Univation's website for more information at <http://www.univation.com/>.