



April 3, 2014

Statement by Tronox Limited Regarding Tronox vs. Anadarko Settlement

Tronox to Receive \$5.15 Billion Dollar Tax Benefit Total Tax shield now estimated to be \$10.15 billion

STAMFORD, Conn., April 3, 2014 /PRNewswire/ -- Tronox Limited (NYSE: TROX) today issued the following statement in response to the settlement announced in the U.S. federal bankruptcy court case *Tronox Incorporated vs. Anadarko Petroleum Corp.*:

"Tronox is pleased that the environmental and tort trusts and Anadarko Petroleum were able to have reached a settlement in this important case. As a result of this accord, the cleanup of the Kerr-McGee legacy environmental damages can begin and people injured by those actions can finally be compensated. Tronox does not receive any portion of the \$5.15 billion settlement amount. However, for Tronox this settlement has significant economic value, as the company should receive billions of dollars in U.S. federal income tax deductions as the money is spent by the trusts," said Tronox Chairman & CEO Tom Casey.



"The tort trust for the civil suits is entitled to receive 12 percent of the \$5.15 billion settlement. Although we have no control over it, we would anticipate that these funds will be spent very soon after the trust is funded. We feel that the majority of the settlement funds earmarked for environmental claims will be spent by the trusts over a multiyear period. All of the trusts involved in this litigation are considered grantor trusts for federal income tax purposes, therefore in every year that the trusts spend the money they received in this settlement, Tronox should receive a tax deduction for the same amount," Casey added.

"We have roughly \$1.4 billion of cash on our balance sheet. And, as I discussed in our last earnings call, we now have approximately \$10.15 billion gross U.S. and foreign tax attributes. In addition to the tax benefits resulting from the Anadarko settlement, Tronox currently holds tax loss carry-forwards totaling \$3 billion of federal, state and foreign net operating losses -- U.S. federal Net Operating Losses of \$1.2 billion, U.S. state Net Operating Losses of \$1.4 billion and foreign jurisdictions Net Operating Losses of \$600 million.

Tronox also holds interest expense deductions of \$2 billion resulting from U.S. borrowing activity. These deductions can be taken over a ten-year period subject to an annual taxable income limitation of \$200 million with unlimited carry forward of interest disallowance due to taxable income. We believe these attributes position us for growth since we can produce more cash from an earnings stream than any party that does not have these substantial tax attributes," Casey concluded.

Background

Tronox was spun off from Kerr-McGee in 2005 and at that time Kerr-McGee stripped Tronox of assets that left it without the financial capability to settle its environmental liabilities.

As a result, the company declared bankruptcy in Jan. 2009. As part of its bankruptcy proceedings, Tronox, along with the United States Government, filed suit against Kerr-McGee (subsequently Anadarko, which acquired Kerr-McGee). That lawsuit is the basis of this settlement.

The bankruptcy settlement, including the transfer of the lawsuit to the trusts, allowed Tronox to emerge from bankruptcy as a reorganized company, free of these legacy liabilities, and to become a global leader in the mining and processing of titanium ore and other important minerals and the production of titanium dioxide, a pigment used in everyday life by consumers and industries around the world. The company is steadfastly committed to environmental stewardship and sustainability in all aspects of its business operations.

For more information about Tronox, visit <http://www.tronox.com>.

Forward Looking Statements

Statements in this release that are not historical are forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements are based upon management's current beliefs and expectations and are subject to uncertainty and changes in circumstances and contain words such as "believe," "intended," "expect," and "anticipate" and include statements about expectations for future results including revenues. The forward-looking statements involve risks that may affect the company's operations, markets, products, services, prices and other risk factors discussed in the company's filings with the Securities and Exchange Commission (SEC), including those under the heading entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2013. Significant risks and uncertainties may relate to, but are not limited to, our ability to integrate the recently acquired mineral sands business including achieving the expected cost savings; financial, economic, competitive, environmental, political, legal regulatory and technological factors including, our access to unrestricted cash, compliance with our bank facility covenants, the price of our shares, general market conditions, our customers potentially reducing their demand for our products due to, among other things, the economic downturn, more competitive pricing from our competitors, increased supply from our competitors; operating efficiencies and other benefits expected. Unless otherwise required by applicable laws, the company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information or future developments.

Media Contact: Bud Grebey

bud.grebey@tronox.com

Direct: +1.203.705.3721

Investor Contact: Brennen Arndt

Direct: +1.203.705.3722

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