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**UNITED STATES ANNOUNCES GLOBAL ENVIRONMENTAL BANKRUPTCY  
SETTLEMENT WITH TRONOX**

*Chemical Company Agrees To Pay \$270 Million And 88% Of Proceeds  
From Fraudulent Conveyance Lawsuit To Settle Environmental  
Liabilities*

PREET BHARARA, the United States Attorney for the Southern District of New York, ROBERT DREHER, the Principal Deputy Assistant Attorney General for the Justice Department's Environment and Natural Resources Division ("ENRD"), CYNTHIA GILES, the Assistant Administrator for the Office of Enforcement and Compliance with the U.S. Environmental Protection Agency ("EPA"), DAVID M. KENNEDY, the Acting Assistant Administrator of the National Ocean Service of the National Oceanic and Atmospheric Administration ("NOAA"), RACHEL JACOBSON, the Principal Deputy Solicitor of the Department of the Interior ("DOI"), and CHARLES MILLER, Director of the Office of Federal and State Materials and Environmental Management Programs of the U.S. Nuclear Regulatory Commission ("NRC"), announced today that the United States, twenty-two States, the Navajo Nation, and local governmental entities in Chicago and West Chicago, Illinois (collectively, the "Governments") have entered into a consent decree and settlement agreement with debtor TRONOX, INC., a chemical company, and its fourteen affiliated

debtors to settle certain environmental liabilities under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), the Resource Conservation and Recovery Act ("RCRA"), and other federal, state, local and tribal environmental laws.

The Settlement Agreement, filed today in Manhattan bankruptcy court, will create five environmental response trusts (the "Trusts") to take title to contaminated properties currently owned by TRONOX. TRONOX will pay the Governments and the Trusts \$270 million for future cleanup and administration at these and other sites contaminated by TRONOX and its predecessor companies, and in compensation for moneys previously expended by the Governments and penalties for which TRONOX is liable.

Additionally, TRONOX will transfer to the Governments and Trusts an 88% share of TRONOX's interest in a pending lawsuit against TRONOX's former parent company Kerr-McGee Corporation, and its parent company Anadarko Petroleum Corporation ("Defendants"). This lawsuit alleges that the Defendants fraudulently transferred valuable assets out of TRONOX, leaving TRONOX with insufficient funds to pay the billions of dollars of environmental liabilities that TRONOX owed to the Governments. The United States has intervened in the lawsuit. TRONOX will also create and fund with a portion of the \$270 million, a litigation trust to conduct the lawsuit after the effective date of TRONOX's plan of reorganization.

The five environmental response trusts are:

1. A Multistate Trust will take custody of over 25 contaminated properties in 14 states and will perform or fund cleanup at more than 1,800 potentially contaminated former service station properties around the country.

2. The Henderson Trust will take custody of real property owned by TRONOX in Henderson, Nevada, on which TRONOX's electrolytic chemical facility is situated.

3. The Cimarron Trust will take custody of TRONOX's former nuclear fuel processing facility in Cimarron, Oklahoma.

4. The Savannah Trust will take custody of TRONOX's former titanium dioxide facility and active sulfuric acid plant, in Savannah, Georgia.

5. The West Chicago Trust will take custody of TRONOX's thorium-contaminated Rare Earths Facility in West Chicago,

Illinois, and will also perform clean up work at related vicinity properties.

A portion of the proceeds and of TRONOX's interest in the pending lawsuit will go directly to the Governments for civil penalties and natural resource damages, as well as past and future cleanup costs at sites not owned by TRONOX.

TRONOX filed bankruptcy in January 2009 in U.S. Bankruptcy Court for the Southern District of New York. In August 2009, the United States filed claims against TRONOX in the bankruptcy seeking to recover past and future environmental cleanup costs, decommissioning costs, and natural resource damages for sites presently or formerly owned or operated by TRONOX. The United States also sought civil monetary penalties for violations of CERCLA, the Resource Conservation and Recovery Act, the Clean Air Act, and the Clean Water Act. The claims of the United States were brought on behalf of the EPA, the Forest Service, the NRC, the Fish and Wildlife Service of DOI, and NOAA. The Settlement also resolves claims of the Bureau of Land Management of DOI, and a contribution claim brought on behalf of the U.S. Department of Defense.

Before being considered by the Bankruptcy Court for approval under applicable environmental laws, the Settlement Agreement will be lodged with the Bankruptcy Court for a period of thirty days to provide public notice and to afford members of the public the opportunity to comment on the Settlement.

Mr. BHARARA praised the efforts in this case by the numerous federal, state, and tribal officials who worked tirelessly on this matter. The United States, the Navajo Nation, the states and the local governmental entities worked closely and engaged in extensive negotiations to ensure that the Settlement Agreement reflected the needs of the contaminated sites and provided a fair resolution of TRONOX's environmental liabilities to the Governments.

Southern District of New York Assistant U.S. Attorneys ROBERT WILLIAM YALEN, TOMOKO ONOZAWA and JOSEPH PANTOJA, along with ALAN S. TENENBAUM, FREDERICK S. PHILLIPS, KATHERINE KANE, MARCELLO MOLLO, and ERICA PENCAK of the Environment and Natural Resources Division of the Department of Justice, are in charge of this case.

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