

# TRONOX



**Citi 2014 Basic Materials Conference**

Tom Casey, Chairman and CEO

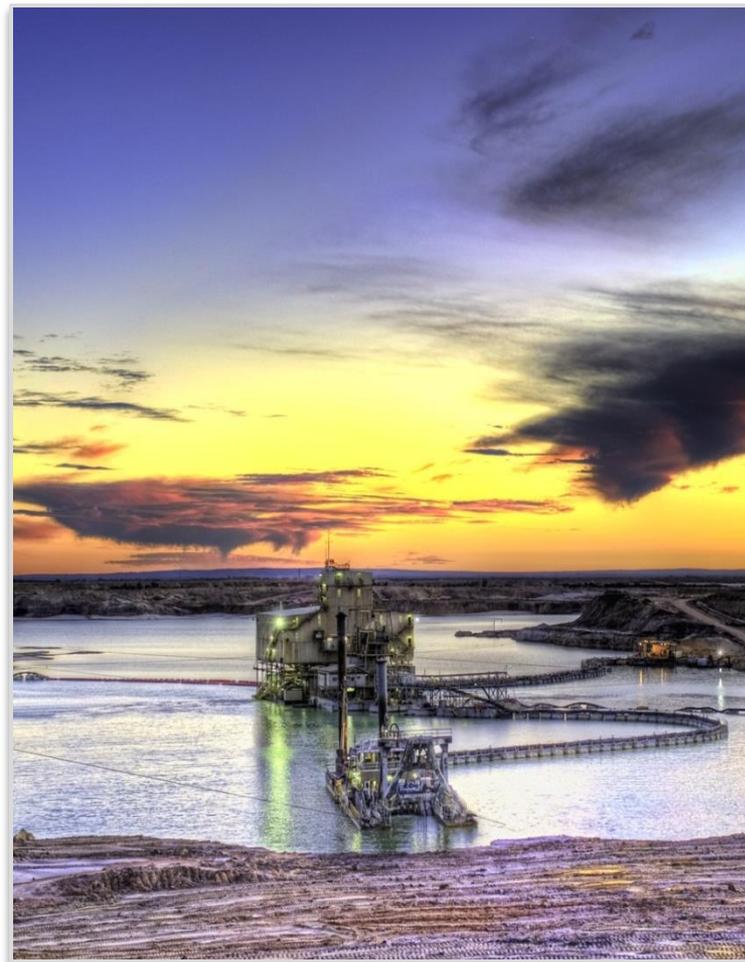
# Forward Looking Statements

This presentation contains forward-looking statements that are subject to risks and uncertainties. All statements other than statements of historical fact included in this presentation are forward-looking statements. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as “anticipate,” “estimate,” “expect,” “project,” “plan,” “intend,” “believe,” “may,” “will,” “should,” “can have,” “likely” and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events.

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# Tronox Limited at a Glance

- Largest fully integrated company in value chain
- Operating as One Tronox
- Leading global producer of:
  - $\text{TiO}_2$  via chloride technology
  - Titanium feedstocks - synthetic rutile, CP slag, natural rutile and ilmenite
  - Zircon and pig iron
- Consume slag, natural rutile and synthetic rutile
- Long position in feedstock as production exceeds pigment feedstock needs
- Global footprint: 17 locations worldwide
  - Mineral sands mines and processing in South Africa and Australia
  - $\text{TiO}_2$  plants U.S., Australia and the Netherlands
- \$0.25 quarterly dividend paid 10 straight quarters; currently yielding more than 4%
- \$9.8B tax attributes and future deductions

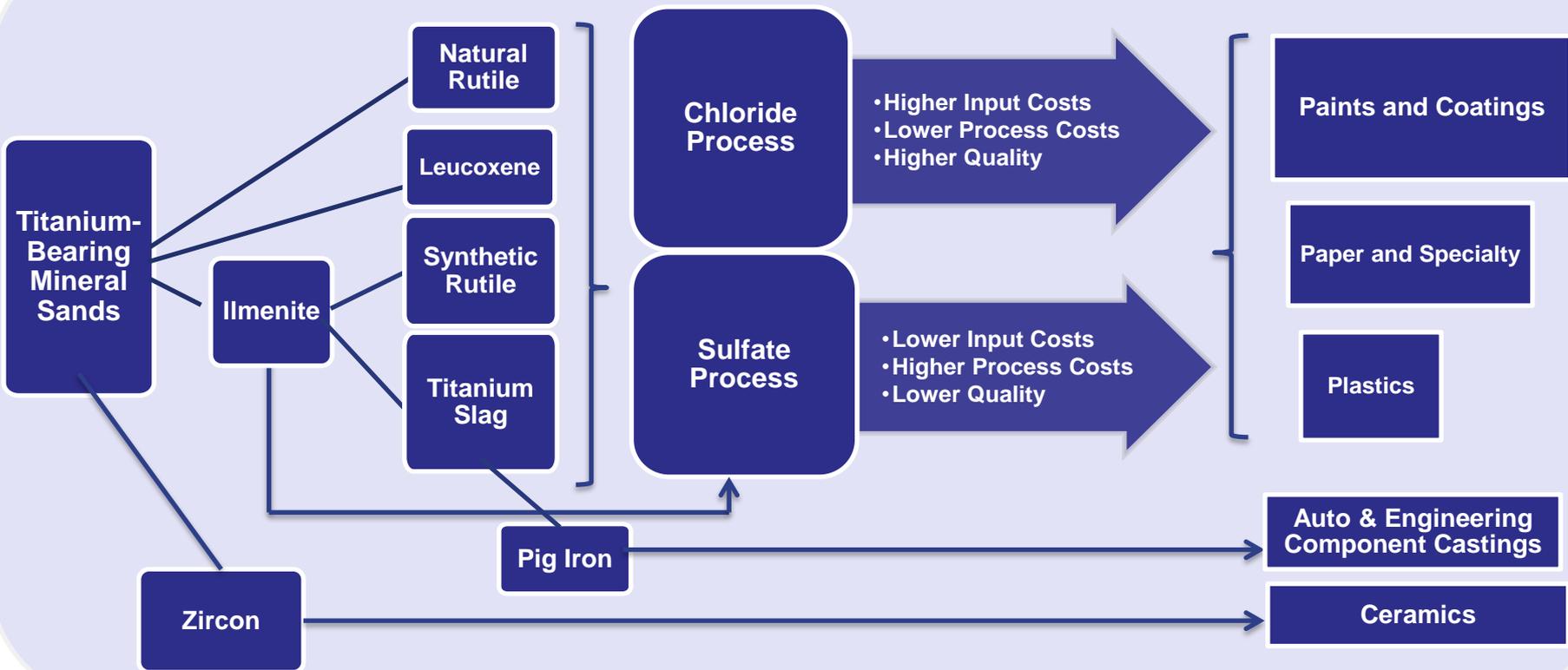


# Mineral Sands and Pigments Value Chain

Mineral Sands

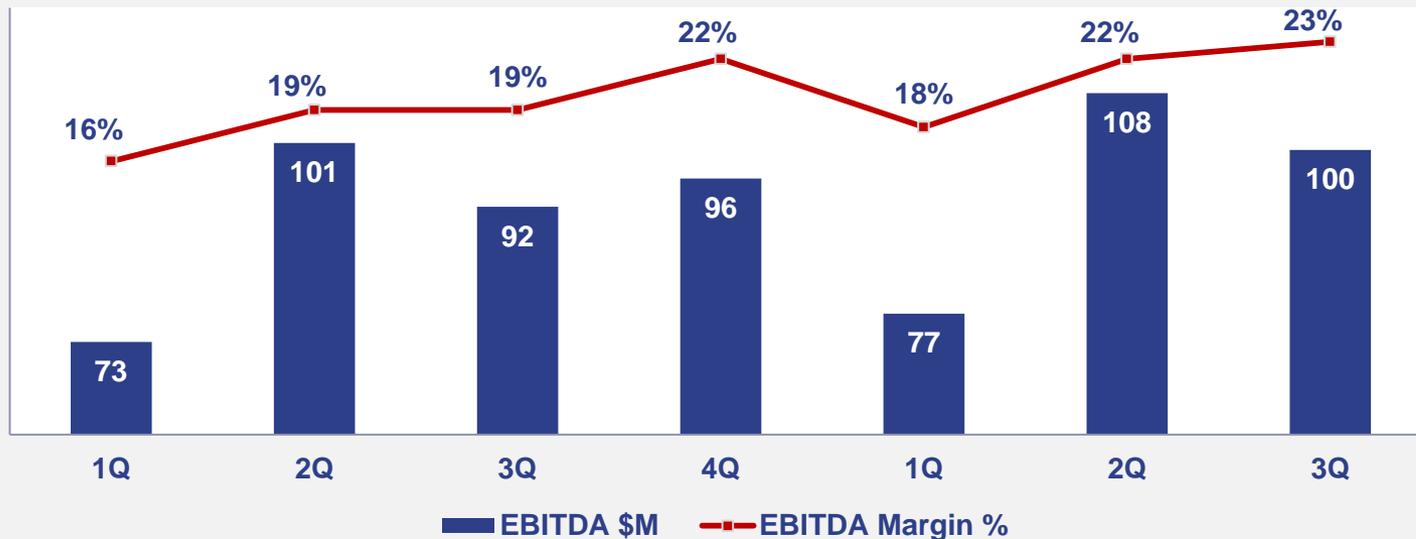
TiO<sub>2</sub> Pigments

Markets



# Premium Performance through Integration

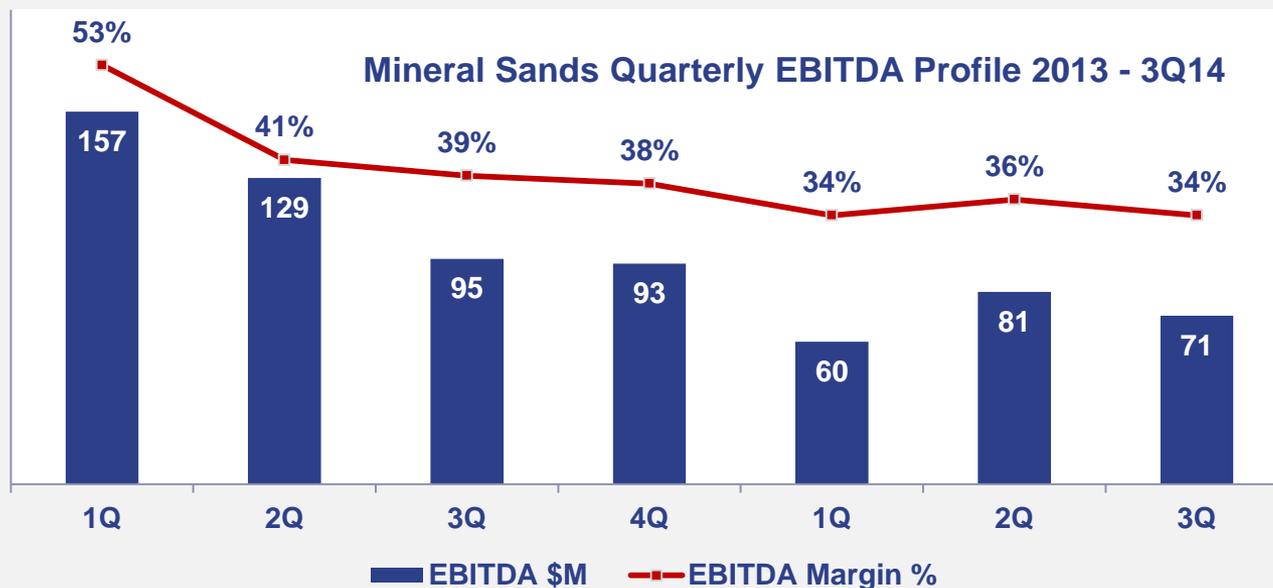
## Tronox Quarterly EBITDA Profile 2013 – 3Q14



- We believe we can consistently deliver higher level of consolidated adjusted EBITDA per ton of pigment sold relative to non-integrated pigment producers
- Capturing feedstock margin on pigment sales
- Consuming internally produced feedstock with option to sell long portion
- Assures feedstock supply and demand
- Only enterprise producing both titanium slag and synthetic rutile – unique ability to adjust pigment plants' feedstock consumption to optimize financial performance

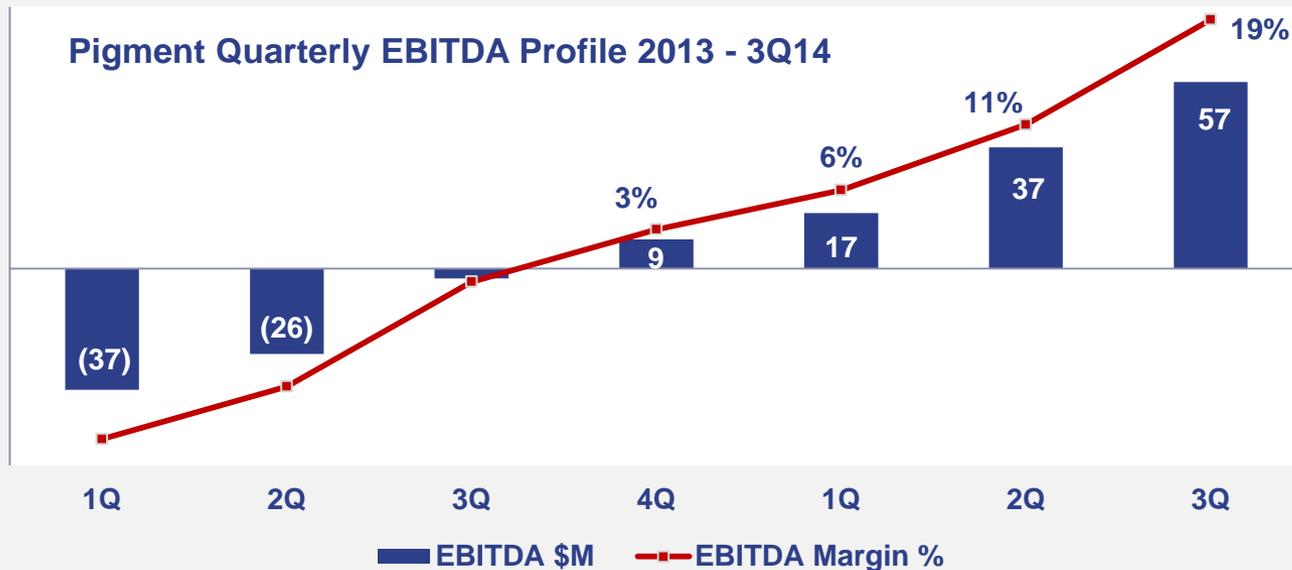


# One of the World's Largest Ore Producers



- Adjusted EBITDA margin 34% in 3Q14 despite what we consider to be essentially trough conditions
- Pigment benefiting from lower feedstock selling prices
- Expect feedstock market conditions to gradually improve now that pigment plant operating rates have returned to normal and as feedstock inventories are worked down
- Fairbreeze mine expected to begin operations by end of 2015 and fully operational in 2016; capex for this phase ~\$250M with ~\$80M expected spend through 2014 and ~\$170M expected in 2015-2016

# Leading Global Market Position in Chloride Pigment



- Adjusted EBITDA improvement for seven consecutive quarters
- Finished pigment inventory and average plant utilization rate at normal seasonal levels
- Lower feedstock costs have contributed to greater margins - will continue to do so as pigment made from that feedstock is sold, typically five to six months later
- Expect normal seasonally lighter market conditions as we transition into next year and look for positive developments in 2015

# Tronox Tax Attributes and Future Deductions

- ~\$9.8B of tax attributes and future deductions; \$9.2B in U.S. and \$600M in foreign jurisdictions
  - \$2.3B tax loss carry-forwards for U.S. federal/state and foreign net operating losses; U.S. portion subject to IRC 382 limitations
  - \$2B interest expense deductions over 10 years subject to annual taxable income limit of \$200 million and 10% withholding
  - \$5.5B U.S. federal tax deductions from \$5.15B settlement plus \$350M Tronox previously contributed to trusts involved in litigation
- Tronox entitled to tax deductions equal to amount spent by trusts; deductions accrue over life of trusts as funds are spent
- Tort trust receives 12% (~\$620M) likely spent soon after funding
- Environmental trusts receive 88% (~\$4.5B) likely spent over many years
- We have been informed that, in total, trusts can be expected to spend ~\$1.5B in first 12-18 months after receiving funds



# Focused on Unlocking Superior Value

- Strong operating and financial attributes underpin ability to unlock superior value
- One Tronox - continue to strengthen operations and lower costs
- Global market conditions
  - Expect feedstock market conditions to gradually improve now that pigment plant operating rates have returned to normal and as feedstock inventories are worked down
  - Expect normal seasonally lighter market conditions in pigment as we transition into next year and look for positive developments in 2015
- Strategy has large component of inorganic growth complemented by high return organic growth initiatives such as Fairbreeze mine, ongoing plant debottlenecking and energy-saving projects
- Strategic optionality significantly enhanced \$5.15B litigation settlement earlier this year
- Tronox entitled to tax deductions equal to amount spent by trusts; deductions accrue over life of trusts as funds are spent
- Continue to actively pursue our growth strategy and focus on unlocking superior value in both our operating businesses and across several strategic options



# TRONOX



**Q&A Session**

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