

**OBJECTIONS TO EQUITY COMMITTEE DISCLOSURE STATEMENT AND PROPOSED RESPONSE**

<b><u>NO.</u></b>	<b><u>OBJECTOR</u></b>	<b><u>OBJECTION(S)</u></b>	<b><u>PROPOSED RESPONSE</u></b>
1.	Tronox Incorporated (ECF No. 2112)	<ul style="list-style-type: none"> <li>• The EC Plan is patently unconfirmable because it violates the absolute priority rule.</li> <li>• The EC Plan is patently unconfirmable because it attempts to supplant Tronox's business judgment with regard to the Tiwest Sale option.</li> <li>• The EC Plan is patently unconfirmable because it requires Tronox to pay fees and expenses of the Equity Committee's plan sponsors.</li> <li>• The EC Plan is patently unconfirmable because it contemplates implementation of a Management Incentive Plan reasonably acceptable to the Equity Committee.</li> <li>• The EC DS must disclose the following risk factors: <ul style="list-style-type: none"> <li>○ No creditors support the EC Plan as filed</li> <li>○ The Equity Committee does not have committed debt financing</li> <li>○ The EC Plan must either be accepted by creditors or pay creditors in full.</li> </ul> </li> <li>• Adopts and joins objections of the Official Committee of Unsecured Creditors, as described below.</li> </ul>	<ul style="list-style-type: none"> <li>• Though this issue is largely a confirmation objection, the Equity Committee's legal basis for its treatment is set forth in more detail in its Reply. <i>See</i> Reply, § I.</li> <li>• The Equity Committee has added additional disclosure regarding the treatment of the Tiwest Sale option and has disclosed that the exercise of such option would be subject to review by Tronox management is conditioned upon Bankruptcy Court approval. <i>See</i> EC DS, § IX(C) at 25.</li> <li>• Though this is a confirmation issue, the Equity Committee has offered the basis for this requirement in its ECA Reply.</li> <li>• The Equity Committee's revised Plan and Disclosure Statement provide that Tronox will implement the Management Equity Plan, the form of which must be reasonably acceptable the Creditors' Committee, the Equity Committee and the Required Plan Equity Sponsors will develop a Management Plan. <i>See</i> EC DS, § XI(D) at 32.</li> <li>• The Equity Committee believes that its Disclosure Statement already reflects disclosure of the first two risk factors. The Equity Committee added an additional risk factor to address the point that the EC Plan must be accepted by creditors, or pay creditors in full. <i>See</i> EC DS, §§XXI(C) at 46.</li> <li>• Please refer to the responses provided for each of the Creditors' Committee's objections below.</li> </ul>

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2.	The Official Committee of Unsecured Creditors of Tronox Incorporated (ECF No. 2092)	<ul style="list-style-type: none"> <li>• The EC Plan is patently unconfirmable because it violates the absolute priority rule.</li> <li>• Settlements are borrowed from debtors' plan, which were based upon a common understanding of the value of Tronox and the value of the Anadarko litigation</li> <li>• The EC DS fails to provide information regarding the proposed sources of the \$520 million exit financing, nor does it provide the status of negotiations with investment banks.</li> <li>• The EC DS and EC Plan do not include a Convenience Class.</li> <li>• The EC DS does not provide adequate information regarding the Tiwest sale option, including the following: <ul style="list-style-type: none"> <li>○ The mechanics of the Memorandum of Understanding with the potential purchaser of Tiwest</li> <li>○ The Equity Committee's basis for authority to effect the sale.</li> <li>○ The process by which the equity Committee will identify alternative buyers for Tiwest and/or the extent to which the EC Plan's ability to fund distributions on the Effective Date hinges upon the results of the Tiwest sale.</li> <li>○ The impact that a sale of Tiwest would have on the projected performance of Tronox and the enterprise value of Reorganized Tronox</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Confirmation issues are more properly resolved at a confirmation hearing. However, the Equity Committee's legal basis for its treatment is set forth in more detail in its Reply. <i>See</i> Reply, § I.</li> <li>• Confirmation issues are more properly resolved at a confirmation hearing. However, the Equity Committee's legal basis for its treatment is set forth in more detail in its Reply. <i>See</i> Reply, § I.</li> <li>• The Equity Committee has disclosed all present facts regarding exit financing and believes that the EC DS provides adequate information with regard to exit financing. <i>See</i> EC DS, § X(A) at 29-30; §XXI(C) at 46.</li> <li>• The EC DS and EC Plan have been amended to reflect addition of a Convenience Class. <i>See</i> EC Plan, Art. III.</li> <li>• The Equity Committee has provided additional disclosure regarding each of the questions posed regarding the Tiwest sale option. <i>See</i> EC DS, § IX(C) at 25. The Equity Committee believes that, as amended, the EC DS provides adequate information with regard to the Tiwest sale.</li> </ul>

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		<ul style="list-style-type: none"> <li>• The EC DS does not provide adequate information regarding the treatment of Equity Interests, in the following specific ways:               <ul style="list-style-type: none"> <li>○ The EC DS does not provide information on who may participate in the Rights Offering.</li> <li>○ The EC Plan gives the Equity Committee the right to determine who are “eligible holders” based on carve-out for exemptions for registration under section 1145 of the Bankruptcy Code</li> <li>○ No rationale offered for the distinction between Equity Interests and Other Equity Interests</li> </ul> </li> <li>• The EC DS does not disclose that the Lead Plaintiffs in the Securities Litigation filed a motion to approve filing a late proof of claim or how that motion could impact the warrant structure of the EC Plan or recovery by any other class.</li> <li>• The EC DS does not provide adequate information with respect to the Management Incentive Plan or how the Equity Committee will have an approval right over the Management Incentive Plan.</li> <li>• Not sufficient info on the Management Equity Incentive Plan or how EC would have an approval right over it.</li> </ul>	<ul style="list-style-type: none"> <li>• The Equity Committee has provided substantial disclosure regarding its classification of and treatment Equity Interests. <i>See</i> EC DS, §VIII(B). These provisions also describe which interest holders are considered “Eligible Holders” and may participate in the Rights Offering. <i>See</i> EC DS, §IV(K) at 11.</li> <li>• No holder of any Equity Stock Interest or Other Equity Interest has objected to the level of disclosure in the EC DS.</li> <li>• The EC DS incorporated by reference the Debtors’ disclosures regarding the Securities Litigation and the Lead Plaintiffs’ motion. To the extent the Creditors’ Committee believes that the Debtors’ DS requires further disclosure on this point, the Equity Committee will resolve such objection in the manner agreed to and/or ordered by the Bankruptcy Court, the Debtors and the particular objecting party, so long as such resolution does not prejudice the Equity Committee.</li> <li>• The Equity Committee’s revised Plan and Disclosure Statement provide that Tronox will implement the Management Equity Plan, the form of which must be reasonably acceptable the Creditors’ Committee, the Equity Committee and the Required Plan Equity Sponsors will develop a Management Plan. <i>See</i> EC DS, § XI(D) at 32.</li> </ul>

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3.	Lead Plaintiffs in the securities class action captioned <i>in re Tronox, Inc. Securities Litigation</i> , Civil Action No. 1:09-cv-06220 (SAS) (ECF No. 2051)	<ul style="list-style-type: none"> <li>• The EC DS does not provide adequate information with respect to the following: <ul style="list-style-type: none"> <li>○ The EC DS fails to describe an adequate protocol for preservation of the Debtors' records or documents, and the EC Plan fails to provide such a mechanism.</li> <li>○ The EC DS and EC Plan fail to disclose whether the EC Plan intends to deny the Lead Plaintiffs the right to proceed with their claims against the Debtors solely to the extent of available insurance coverage.</li> <li>○ The EC Plan's Release and Injunction provisions are overly broad, ambiguous, and improper and must affirmatively exclude the Lead Plaintiffs' claims against non-debtors.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• The Lead Plaintiffs' objections apply equally to the Debtors' Plan and the EC Plan. Accordingly, the Equity Committee will resolve these objections in a manner agreed to and/or ordered by the Bankruptcy Court, the Debtors, and the Lead Plaintiffs to the extent not inconsistent or prejudicial to the EC Plan.</li> </ul>
4.	Rehabilitation Institute of Chicago and New Water Park LLC (the "Streeterville Claimants") (ECF No. 2053)	<ul style="list-style-type: none"> <li>• The Debtors' Plan fails to provide adequate information on the terms of the Environmental Claims Settlement Agreement.</li> <li>• The Debtors' Plan fails to provide adequate information with respect to how the Environmental Claims will be resolved or how the Environmental Response Trusts will be administered.</li> </ul>	<ul style="list-style-type: none"> <li>• The Streeterville Claimants' objections apply equally to the Debtors' Plan and the EC Plan. Accordingly, the Equity Committee will resolve these objections in a manner agreed to and/or ordered by the Bankruptcy Court, the Debtors, and the Streeterville Claimants to the extent not inconsistent or prejudicial to the EC Plan.</li> </ul>
5	National Coating Corporation ("NCC") (ECF No. 2070)	<ul style="list-style-type: none"> <li>• The EC DS fails to provide adequate information with respect to the terms of the Global Settlement, including the allocations among Class 5 claimants and allocations to individual clean-up sites.</li> </ul>	<ul style="list-style-type: none"> <li>• Substantial portions of the information the NCC requests will be provided as part of the Plan Supplement. NCC's objections apply equally to the Debtors' Plan and the EC Plan. Accordingly, the Equity Committee will resolve these objections in a manner agreed to and/or ordered by the Bankruptcy Court, the Debtors, and NCC, to the extent not inconsistent or prejudicial to the EC Plan.</li> </ul>

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6.	Exxaro Australia Sands Pty Ltd., Exxaro Namakwa Sands, Yalgoo Minerals Pty Ltd. (the “Exxaro Entities”) [ECF No. 2071]	<ul style="list-style-type: none"> <li>• The EC DS does not provide adequate information in that it does not disclose the following with respect to the sale of Tiwest: <ul style="list-style-type: none"> <li>○ The prospective purchaser</li> <li>○ The likelihood of completing the sale prior to the Effective date</li> <li>○ The impact of the sale on the value of New Common Stock.</li> <li>○ The likelihood that Tiwest sale would activate Yalgoo’s preemptive right to purchase a participating interest or how the preemptive right may affect the sale.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• The Equity Committee has substantially supplemented its disclosure with respect to the Tiwest sale option, including many of the issues raised by the Exxaro Entities. <i>See</i> EC DS, § IX(C) at 25. The Equity Committee submits that, as amended, the EC DS satisfy the Exxaro Entities’ objection and provides adequate information regarding the Tiwest sale option.</li> </ul>
		<ul style="list-style-type: none"> <li>• The Exxaro Entities also raise the following objections, each of which applies equally to language within the EC DS and the Debtors’ DS: <ul style="list-style-type: none"> <li>○ The EC DS provides no information regarding post-confirmation restructuring.</li> <li>○ The EC DS does not adequately disclosed that the proposed “deemed substantive consolidation” issuance of New Common Stock and post-emergence corporate reorganization may trigger Exxaro’s preemptive right with respect to Tiwest.</li> <li>○ The EC DS fails to disclose any factual or legal basis for deemed substantive consolidation.</li> <li>○ The EC DS fails to disclose treatment of executory contracts and unexpired leases with non-debtor (particularly foreign) entities, and whether the rights, remedies, and options of counterparties to such</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• For the Exxaro Entities’ objections that do not relate exclusively to the EC Plan, the Equity Committee will resolve these objections in a manner agreed to and/or ordered by the Bankruptcy Court, the Debtors, and the Exxaro Entities to the extent not inconsistent or prejudicial to the EC Plan.</li> </ul>

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		<p>contracts are preserved.</p> <ul style="list-style-type: none"> <li>○ The EC DS fails to disclose information regarding the management's (including officers and directors) proposed business and operations and financial and capital structure of each of the proposed reorganized entities.</li> <li>○ The EC DS should clarify that none of the non-debtor Released Parties shall be discharged, released, or relieved from any liability with respect to any contract, undertaking, or arrangement with the Exxaro Parties as a result of the bankruptcy proceedings or the EC Plan.</li> </ul>	
7.	The Landwell Company, LP ("Landwell") and Basic Management, Inc. ("BMI") (ECF No. 2073)	<ul style="list-style-type: none"> <li>• The EC DS does not provide adequate information in that it fails to describe the specific nature of the Debtors' interests in BMI.</li> <li>• The EC DS does not provide adequate information in that it does not disclose restrictions on the Debtors' ability to transfer their interests in BMI or Landwell or the likelihood that such interests cannot be conveyed.</li> <li>• The EC DS fails to describe adequately the likelihood that the Debtors' interests in BMI and Landwell will not be included among the Nevada Assets.</li> </ul>	<ul style="list-style-type: none"> <li>• Landwell's and BMI's objections apply equally to the Debtors' Plan and the EC Plan. Accordingly, the Equity Committee will resolve these objections in a manner agreed to and/or ordered by the Bankruptcy Court, the Debtors, and Landwell and BMI to the extent not inconsistent or prejudicial to the EC Plan.</li> </ul>