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MADIGAN: ILLINOIS TO RECEIVE \$61 MILLION IN ENVIRONMENTAL CLEANUP FUNDS FROM TRONOX, INC.***Funding for Cleanup of Chicago, Downstate Kerr-McGee Chemical Sites***

Chicago — Attorney General Lisa Madigan announced today that Illinois will receive more than \$61 million to initiate or continue environmental cleanup activities at several sites throughout the state contaminated by the former Kerr-McGee Chemical Co.

Attorney General Madigan joined the federal government, 21 other states, the Navajo Nation and some local units of government in a \$270 million global settlement with Tronox, Inc. that was filed in federal bankruptcy court in New York. In addition to the \$270 million case settlement, Tronox is paying its outstanding financial assurance obligations. Kerr-McGee restructured its former companies and allegedly placed all of its environmental liabilities into the new entity. Tronox filed for Chapter 11 bankruptcy in January 2009 after it was unable to meet its obligations to clean up contaminated sites across the country.

"This action will provide much needed funding that will be dedicated solely to remediate serious environmental damage Kerr-McGee left behind in the Chicago area and throughout Illinois," said Madigan.

As a result of the multi-state settlement, Madigan said several trusts were established and will oversee disbursing funds to resolve environmental cleanups including \$40 million in financial assurance payments for the Rare Earth Facility (REF) in West Chicago. Kerr-McGee produced thorium that was extracted from ore at the plant until it closed in 1973.

The continued clean up of Kress Creek in DuPage County, required under a prior consent decree, will receive a \$1.6 million cash payment from the global settlement. The settlement also provides for a loan of up to \$14 million from the REF financial assurance and reimbursement monies from the Department of Defense. Additionally, Tronox-owned residential sites in DuPage County will receive \$306,488 and non-owned sites will receive \$77,240 for cleanup. The U.S. Environmental Protection Agency (USEPA) is overseeing the cleanup of these areas that were designated federal Superfund sites in the early 1990s. The settlement also includes approximately \$5.2 million for cleanup sites in Chicago being handled by the city, the Chicago Park District and USEPA.

Attorney General Madigan said the settlement also provides funding for cleanup at several Downstate sites:

- Madison - \$1,294,468 at the former Kerr-McGee wood treatment plant.
- Sauget - \$3,960,429 at the former Kerr-McGee Moss American plant.
- Mt. Vernon - \$94,797 at the former Creosote Forest Products.
- Decatur - \$632 at the closed Waste Hauling Landfill.

In addition, \$2.3 million of the settlement will be used to remove leaking underground storage tanks at former Kerr-McGee gas stations in Illinois and the other settling states. All of the projects may receive additional funds once a separate lawsuit filed by Tronox against its parent company, Anardarko Petroleum, is resolved.

Supervising Attorney Elizabeth Wallace and Senior Assistant Attorneys General Gerald Karr and James Morgan are handling the case for Madigan's Environmental Bureau.

