A Brighter Future – From the Ground Up

# Third Quarter 2018 Conference Call

November 6, 2018

# Safe Harbor Statement and Non-U.S. GAAP Financial Terms

Statements in this presentation that are not historical are forward-looking statements within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements, which are subject to known and unknown risks, uncertainties and assumptions about us, may include projections of our future financial performance based on our growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements. These and other risk factors are 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, 2017.

Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for our management to predict all risks and uncertainties, nor can management assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy or completeness of any of these forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. Unless otherwise required by applicable laws, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information or future developments.

This presentation contains certain non-U.S. GAAP financial terms that we use in the management of our business, including EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted earnings per diluted share and a non-U.S. GAAP liquidity measure of free cash flow. Reconciliations to their nearest U.S. GAAP terms are provided in the Appendix of this presentation.

# Cristal $TiO_2$ Acquisition

- Final approval of Cristal acquisition received from European Commission conditioned upon 8120 paper laminate product grade divestiture to Venator Materials PLC
- Divestiture of 8120 paper laminate product grade to occur following approval of Cristal acquisition by the U.S. regulatory authorities
- Discussions underway with well-capitalized global chemical company not currently in $TiO_2$ industry concerning the potential purchase of Cristal's Ashtabula $TiO_2$ facility
- Tronox, Cristal and prospective buyer engaged in discussions with the FTC regarding terms and conditions of potential remedial transaction
- FTC approval of remedial transaction would allow Cristal acquisition to proceed with a divestiture of the Ashtabula facility
- Tronox and Cristal to form a highly synergistic combination focused on
  - increasing asset utilization
  - lowering our cost position
  - unlocking incremental product volumes, and
  - generating strong cash flow

# Third Quarter 2018 and $TiO_2$ Market Trends

TRONOX

- Results demonstrated benefits of our vertical integration with solid performance realized in pigment, feedstock and co-products with all our assets in full operation
- $TiO_2$ adjusted EBITDA margin of 33% up 2 ppts over prior year reflecting broad-based contribution; achieved despite lower sales volumes in pigment and zircon
- Pigment sales volumes in 3Q reflected transient inventory builds in certain sales channels in Europe and Asia; anticipating a return to normal demand and inventory levels as this de-stocking runs its course
- Successfully working with pigment customers on margin stability initiatives intended to dampen margin volatility across the cycle
- Zircon - favorable market conditions with tight global supply-demand balance; delivering significant profitability and margin enhancement to our $TiO_2$ business
- High-grade feedstock market remains tight with rising pricing environment
- As a vertically integrated producer in a rising feedstock price environment, we expect to derive significant and differentiating benefits
- Rising feedstock price environment expected to continue across 2019

# $TiO_2$ Commercial Performance 3Q18 vs 3Q17

| USD millions | 3Q18 | 3Q17 | Change |
|---|---|---|---|
| Revenue | 456 | 435 | 5% |
| Pigment | 315 | 316 | 0% |
| Zircon | 72 | 53 | 36% |
| Pig Iron | 23 | 18 | 28% |
| Feedstock & Other Products | 36 | 37 | (3%) |

| Price and Volume Changes | Price | Volume |
|---|---|---|
| Pigment | | (6%) |
| USD | 7% | |
| Local currency | 7% | |
| Zircon | 50% | (9%) |
| Pig Iron | 8% | 17% |

- Revenue up 5% on higher selling prices in all major products; $1M Euro/USD FX headwind
- Pigment selling prices up 7% USD / 7% local currency; prices higher in all regions
- Zircon sales up 36% on 50% higher selling prices
- Pig iron sales up 28% on 8% higher selling prices and 17% higher volumes
- CP titanium slag sales up $2M on 22% higher selling prices
- No ilmenite sales in 3Q vs $4M in PYQ; preparing for internal requirements upon closing Cristal acquisition

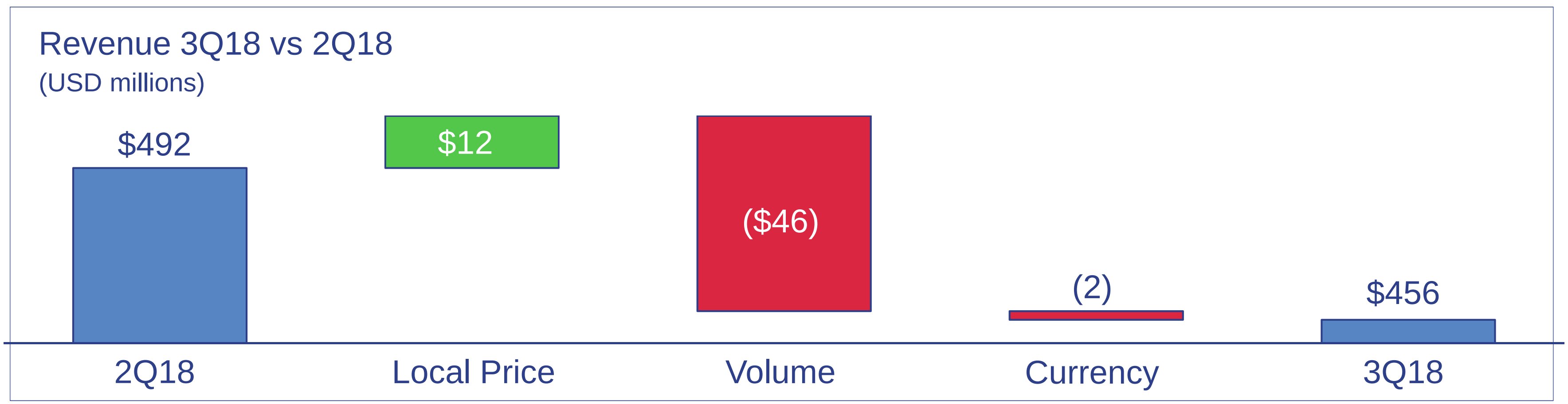
Revenue 3Q18 vs 3Q17
(USD millions)

# $TiO_2$ Commercial Performance 3Q18 vs 2Q18

| USD millions | 3Q18 | 2Q18 | Change |
|---|---|---|---|
| Revenue | 456 | 492 | (7%) |
| Pigment | 315 | 354 | (11%) |
| Zircon | 72 | 78 | (8%) |
| Pig Iron | 23 | 20 | 15% |
| Feedstock & Other Products | 36 | 25 | 44% |

| Price and Volume Changes | Price | Volume |
|---|---|---|
| Pigment | | (10%) |
| USD | (1%) | |
| Local currency | - | |
| Zircon | 15% | (19%) |
| Pig Iron | 7% | 7% |

- Pigment selling prices level to 2Q in local currency / (1%) USD with $2M Euro/USD FX headwind
- Pigment sales volumes down 10% due to normal 5-8% seasonal decline plus de-stocking of transient inventory builds in certain sales channels in EMEA and Asia; continued favorable NA market conditions
- Zircon selling prices up 15% offset by shipment timing; double-digit revenue growth expected in 4Q vs 3Q
- Pig iron sales up 15%; higher selling prices and volumes; double-digit revenue growth expected in 4Q vs 3Q
- Feedstock & Other Products sales up 44% on CP slag/slag fines sales; no longer selling ilmenite in market

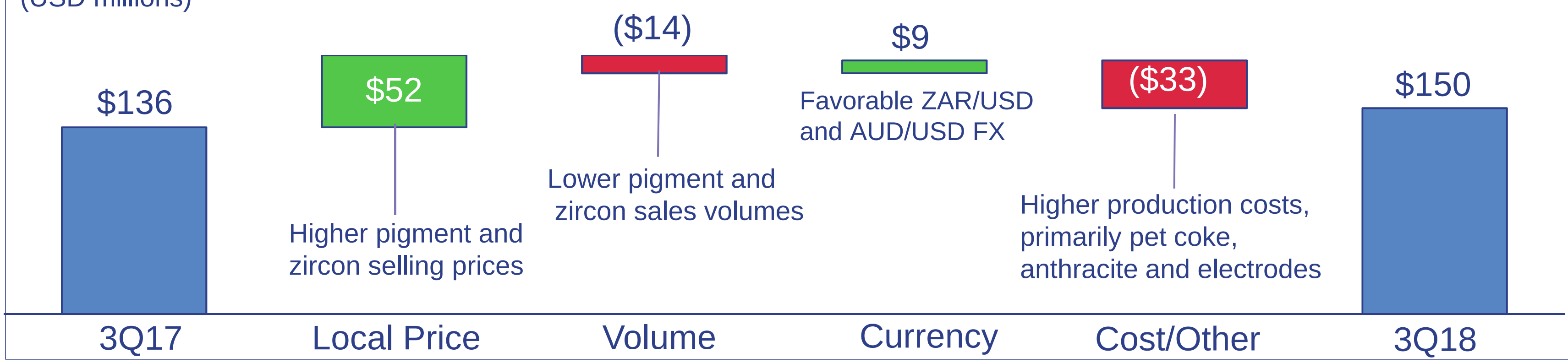


# $TiO_2$ Operations Performance

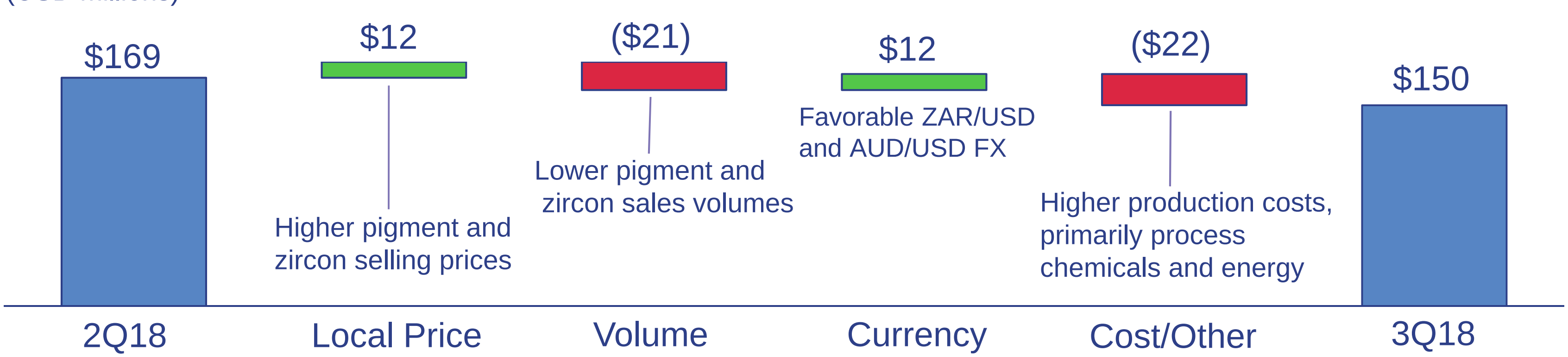
| USD millions | 3Q18 | 3Q17 | Change |
|---|---|---|---|
| Adjusted EBITDA | 150 | 136 | 10% |
| Adjusted EBITDA margin | 33% | 31% | 2 ppts |

| USD millions | 3Q18 | 2Q18 | Change |
|---|---|---|---|
| Adjusted EBITDA | 150 | 169 | (11%) |
| Adjusted EBITDA margin | 33% | 34% | (1 ppt) |

Adjusted EBITDA 3Q18 vs 3Q17
(USD millions)




Adjusted EBITDA 3Q18 vs 2Q18
(USD millions)



# Financial Position

| USD millions | September 30, 2018 |
|---|---|
| Debt | 3,165 |
| Debt net of cash/cash equivalents | 1,429 (1) |
| Blended cost of debt | 5.60% |
| Cash and cash equivalents | 1,736 (1) |
| Liquidity | 2,007 (2) |

(1) Includes $659 million restricted cash for Cristal acquisition

(2) Cash and cash equivalents of $1,736, including $659 of restricted cash, and $271 million available under revolving credit agreements

| USD millions | 2018 Outlook |
|---|---|
| Cash interest, net | 160-170 |
| Capital expenditures | 120-125 |
| DD&A | 185-195 |
| Cash taxes | 20-25 |

Note: all estimates on Tronox standalone basis

| USD millions | 3Q18 |
|---|---|
| Capital expenditures | 28 |
| DD&A | 48 |

# Summary

- Cristal acquisition
  - Substantial progress in discussions with potential buyer of Cristal's Ashtabula facility
  - Tronox, Cristal and prospective buyer in on-going discussions with FTC regarding terms and conditions of potential remedial transaction
- Significant and differentiating benefits from our vertical integration
  - Anticipating return to normal pigment demand and inventory levels as transient inventory builds run their course
  - Favorable zircon market conditions with tight global supply-demand balance
  - Rising high-grade feedstock environment expected to continue in 2019
- Near-term priorities
  - Closing the Cristal transaction
  - Completing the 8120 and Ashtabula remedial transactions
  - Successful integration of Cristal
  - Potential Exxaro share sale
  - Re-domiciling to the UK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# Appendix

# Reconciliation of Non-U.S. GAAP Financial Measures

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**TRONOX LIMITED**
**RECONCILIATION OF NON-U.S. GAAP FINANCIAL MEASURES**
**(UNAUDITED)**
**(Millions of U.S. dollars, except share and per share data)**

**RECONCILIATION OF NET INCOME (LOSS)**
**ATTRIBUTABLE TO TRONOX LIMITED (U.S. GAAP)**
**TO ADJUSTED NET INCOME (LOSS) FROM CONTINUING OPERATIONS**
**ATTRIBUTABLE TO TRONOX LIMITED (NON-U.S. GAAP)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2018 | 2017 | 2018 | 2017 |
| Net income (loss) attributable to Tronox Limited (U.S. GAAP) | $ 6 | $ (247) | $ (2) | $ (285) |
| Loss from discontinued operations, net of tax (U.S. GAAP) | - | (213) | - | (179) |
| Net income (loss) from continuing operations attributable to Tronox Limited (U.S. GAAP) | $ 6 | $ (34) | $ (2) | $ (106) |
| Impairment loss (a) | 6 | - | 31 | - |
| Transaction costs (b) | 12 | 13 | 59 | 33 |
| Restructuring (c) | - | - | - | (1) |
| Tax valuation allowance reversal (d) | - | - | (48) | - |
| Share-based compensation modification (e) | - | - | (6) | - |
| Settlement gain (f) | (3) | - | (3) | - |
| Loss on extinguishment of debt (g) | - | 28 | 30 | 28 |
| Adjusted net income (loss) from continuing operations attributable to Tronox Limited (non-U.S. GAAP) (h) | $ 21 | $ 7 | $ 61 | $ (46) |
| Diluted net income (loss) per share from continuing operations (U.S. GAAP) | $ 0.05 | $ (0.28) | $ (0.01) | $ (0.89) |
| Impairment loss, per share | 0.05 | - | 0.24 | - |
| Transaction costs, per share | 0.09 | 0.11 | 0.47 | 0.28 |
| Restructuring, per share | - | - | - | (0.02) |
| Tax valuation allowance reversal | - | - | (0.38) | - |
| Share-based compensation modification | - | - | (0.05) | - |
| Settlement gain | (0.02) | - | (0.02) | - |
| Loss on debt extinguishment, per share | - | 0.23 | 0.24 | 0.24 |
| Diluted adjusted net income (loss) from continuing operations per share attributable to Tronox Limited (non-U.S. GAAP) | $ 0.17 | $ 0.06 | $ 0.49 | $ (0.39) |
| Weighted average shares outstanding, diluted (in thousands) | 126,302 | 124,519 | 125,871 | 118,908 |

(a) Represents a pre-tax charge for the impairment and expected loss on sale of the assets of our Tronox Electrolytic Operations which was recorded in “Impairment loss” in the unaudited Condensed Consolidated Statements of Operations.

(b) Represents transaction costs primarily associated with the Cristal Transaction which were recorded in “Selling, general and administrative expenses” in the unaudited Condensed Consolidated Statements of Operations.

(c) Represents the reversal of restructuring expense pursuant to the settlement of claims previously filed relating to a prior restructure which was recorded in “Restructuring” in the unaudited Condensed Consolidated Statements of Operations.

(d) Represents the reversal of the tax valuation allowance attributable to our operating subsidiary in the Netherlands.

(e) Represents the reversal of previously recorded expense related to the modification of the Integration Incentive Award.

(f) Represents settlement gain related to the U.S. postretirement medical plan.

(g) Represents debt extinguishment costs of $30 million including a call premium of $22 million associated with the issuance of the 2026 Senior Notes and redemption of our Senior Notes due 2022.

(h) No income tax impact given full valuation allowance.

# Reconciliation of Net Income (Loss) to EBITDA and Adjusted EBITDA (non-U.S. GAAP)

TRONOX

**TRONOX LIMITED**
**SEGMENT INFORMATION**
**RECONCILIATION OF NET INCOME (LOSS) TO EBITDA AND ADJUSTED EBITDA (NON-U.S. GAAP)**
**(UNAUDITED)**
**(Millions of U.S. dollars)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2018 | 2017 | 2018 | 2017 |
| Net income (loss) (U.S. GAAP) | $ 15 | $ (241) | $ 24 | $ (274) |
| Income from discontinued operations, net of tax (U.S. GAAP) | - | (213) | - | (179) |
| Net income (loss) from continuing operations (U.S. GAAP) | 15 | (28) | 24 | (95) |
| Interest expense | 47 | 47 | 144 | 140 |
| Interest income | (8) | (3) | (23) | (5) |
| Income tax provision (benefit) | 6 | 11 | (16) | 10 |
| Depreciation, depletion and amortization expense | 48 | 45 | 145 | 136 |
| EBITDA (non-U.S. GAAP) | 108 | 72 | 274 | 186 |
| Impairment loss (a) | 6 | - | 31 | - |
| Share-based compensation (b) | 7 | 5 | 16 | 26 |
| Transaction costs (c) | 12 | 13 | 59 | 33 |
| Restructuring (d) | - | - | - | (1) |
| Loss on extinguishment of debt (e) | - | 28 | 30 | 28 |
| Foreign currency remeasurement (f) | (4) | (5) | (28) | 1 |
| Settlement gain (g) | (3) | | (3) | |
| Other items (h) | 2 | 5 | 9 | 12 |
| Adjusted EBITDA (non-U.S. GAAP) | $ 128 | $ 118 | $ 388 | $ 285 |

(a) Represents a pre-tax charge for the impairment and expected loss on sale of the assets of our Tronox Electrolytic Operations which was recorded in “Impairment loss” in the unaudited Condensed Consolidated Statements of Operations.

(b) Represents non-cash share-based compensation.

(c) Represents transaction costs primarily associated with the Cristal Transaction which were recorded in “Selling, general and administrative expenses” in the unaudited Condensed Consolidated Statements of Operations.

(d) Represents the reversal of restructuring expense pursuant to the settlement of claims previously filed relating to a prior restructure which was recorded in “Restructuring” in the unaudited Condensed Consolidated Statements of Operations.

(e) 2018 amounts represent debt extinguishment costs of $30 million including a call premium of $22 million associated with the issuance of the 2026 Senior Notes and redemption of our Senior Notes due 2022. 2017 amounts represent debt extinguishment costs associated with the repayment of our Prior Term Loan Facility, termination of our UBS revolver and the redemption of our Senior Notes due 2020.

(f) Represents foreign currency remeasurement comprised of all unrealized gains and losses as well as realized gains or losses associated with nonfunctional currency intercompany receivables and payables and related derivative instruments. These amounts are included in “Other income (expense), net” in the unaudited Condensed Consolidated Statements of Operations.

(g) Represents settlement gain related to U.S. postretirement medical plan.

(h) Includes non-cash pension and postretirement costs, severance expense, accretion expense and other items included in “Selling, general and administrative expenses”, “Cost of goods sold” and "Other income (expense), net" in the unaudited Condensed Consolidated Statements of Operations.

# Operating Income and Adjusted EBITDA (Non-U.S. GAAP) and Free Cash Flow (Non-U.S. GAAP)

TRONOX

**TRONOX LIMITED**
**SEGMENT INFORMATION**
**OPERATING INCOME AND ADJUSTED EBITDA (NON-U.S. GAAP)**
**AND**
**FREE CASH FLOW (NON-U.S. GAAP)**
**(UNAUDITED)**
**(Millions of U.S. dollars)**

The following table reconciles income from operations:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2018 | 2017 | 2018 | 2017 |
| $TiO_2$ segment | $ 80 | $ 75 | $ 240 | $ 168 |
| Unallocated Corporate | (27) | (28) | (108) | (87) |
| **Income from operations (U.S. GAAP)** | $ 53 | $ 47 | $ 132 | $ 81 |

The following table provides Adjusted EBITDA for $TiO_2$ segment and Corporate for the periods presented:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2018 | 2017 | 2018 | 2017 |
| $TiO_2$ segment | $ 150 | $ 136 | $ 457 | $ 344 |
| Unallocated Corporate | (22) | (18) | (69) | (59) |
| **Adjusted EBITDA (non-U.S. GAAP)** | $ 128 | $ 118 | $ 388 | $ 285 |
| **Adjusted EBITDA as a % of Net Sales (non-U.S. GAAP)** | 28% | 27% | 28% | 23% |
| **$TiO_2$ Adjusted EBITDA as a % of Net Sales (non-U.S. GAAP)** | 33% | 31% | 33% | 28% |

The following table provides a reconciliation of $TiO_2$ income from operations to Adjusted EBITDA for our $TiO_2$ segment:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2018 | 2017 | 2018 | 2017 |
| $TiO_2$ segment operating income (1) | $ 80 | $ 75 | $ 240 | $ 168 |
| Depreciation, depletion and amortization expense | 46 | 44 | 140 | 132 |
| Other income (expense), net | 9 | 30 | 32 | (19) |
| **TiO2 EBITDA (non-U.S. GAAP)** | 135 | 149 | 412 | 281 |
| Nonrecurring and other items (1) | 15 | (13) | 45 | 63 |
| **$TiO_2$ Adjusted EBITDA (non-U.S. GAAP)** | $ 150 | $ 136 | $ 457 | $ 344 |

(1) TiO2 segment operating income includes an allocation of costs managed by Corporate. Nonrecurring and other items added back to TiO2 EBITDA includes an add back for the allocation of costs managed by Corporate, as well as the impairment loss, foreign currency losses (gains) and share-based compensation.

The following table reconciles Cash provided by (used in) operating activities, continuing operations, the comparable measure for segment reporting under U.S. GAAP, to free cash flow by segment for the periods presented:

| | Three Months Ended September 30, 2018 | | | Nine Months Ended September 30, 2018 | | |
|---|---|---|---|---|---|---|
| | $TiO_2$ | Corporate | Consolidated | $TiO_2$ | Corporate | Consolidated |
| Cash provided by (used in) operating activities, continuing operations | $ 148 | $ (36) | $ 112 | $ 347 | $ (204) | $ 143 |
| Capital expenditures | (28) | - | (28) | (82) | (1) | (83) |
| **Free cash flow (non-U.S. GAAP)** | $ 120 | $ (36) | $ 84 | $ 265 | $ (205) | $ 60 |