

2022 Environmental Cost Account (ECA) Budget Forecast for the Former Tronox Mining Site in Caselton, Nevada

Date Submitted: 02/23/23

Greenfield Environmental Multistate Trust LLC,
Trustee of Multistate Environmental Response Trust (Multistate Trust)

Exhibit I

Date Approved: 03/03/23

Submittal to: Nevada Division of Environmental Protection on December 10, 2022, Approved December 22, 2022; 1st Amendment Approved July 26, 2022

2nd Amendment - February 23, 2023

Summary of Site Work Planned for 2022:

Work Planned for 2022: OU1: It is anticipated that the construction activities for the OU1 YSR Action will be completed in Q1-2022 and that the OU1 YSR Action Construction Completion Report will be completed in late Q1-2022 or in Q2-2022. The Multistate Trust will continue to work with Lincoln County and the property owner to acquire a property in OU1 for purposes of integration into the overall cleanup plan. (A \$50,000 placeholder allowance has been included in the budget for this activity.) The Multistate Trust expects to receive proposals from third-party contractors to stop the immediate migration of tailings from Parcel No. 001-111-21 and to implement that work subject to NDEP-approval. (A budget amendment will be submitted to NDEP for review and approval after the Multistate Trust receives cost proposals from the third-party contractors to perform the work.) OU2: No further action is necessary for OU2; thus, no Environmental Actions are planned in 2022. OU4: Procure a fencing contractor and install fencing around the mill site and existing tailings to prevent trespasser access and the potential exposure to elevated lead/arsenic concentrations in this area. Complete the OU4 Feasibility Study. A budget amendment will be submitted after the overall plan for OU4 has been finalized. In addition, the Multistate Trust is in the process of seeking a proposal from a third-party contractor(s) to evaluate options for OU4 that consider solar as a potential end use, as well as developing either a Class 3 or Class 4 cost estimate to implement stormwater BMPs to limit tailings migration into off-Site drainages that flow to OU5. OU-5: UNR's schedule for completing their OU5 Caselton Wash Tailing research project slipped due to the COVID-19 pandemic; thus, UNR now anticipates that it will complete its research and the final project report in 1st half of 2022. Upon completion of UNR's research, the OU5 RI Report, including the HHRA and SLERA, will be completed. Perform overall project management and coordination of activities. Utilize local on-call support to assist with meeting preparation, community coordination and other requested tasks. Participate in Site visits and other meetings with Lincoln County and the Town of Pioche. The Multistate Trust and the NDEP will continue to revisit the overall Site strategy due to funding limitations and monitor the long-term forecast. Budget includes costs for ongoing discussions with the NDEP and the United States regarding the strategy to remove the Site from the "Critical Sites List".

A placeholder allowance of \$5,000 has been included for a local contractor to provide support for unplanned site visits by various interested parties, meetings, or other miscellaneous requests. The budget also includes a \$30,000 placeholder allowance for other on-call technical subject matter expertise (SME) support services to support the overall implementation of Environmental Actions at the Site.

Work Associated with 2022 Budget Amendment No. 1: This first budget amendment is requested to reallocate \$358,167 from the OU1 YSR Action (which is 95% complete) to support the following environmental actions: (1) the implementation of time-critical removal action (TCRA) pre-design investigation activities and feasibility studies, including development of designs and corresponding cost estimates, to stop the immediate migration of tailings from APN 001-111-21 (located in OU-1) onto adjacent residential parcels and streets during storm events, including contractor project management and stakeholder communications; (2) the development of the overall cleanup and site reuse strategy for OU4, including but not limited to contractor project management, stakeholder communications, and preparation of a preliminary schedule and rough order of magnitude estimates; and (3) preparation of a work plan to assess the geotechnical qualities of the Caselton Mill site (waste rock and tailings) and performance of a cultural resources survey at OU4 (and specifically OU4A).

Work Associated with 2022 Budget Amendment No. 2: The second budget amendment is requested to increase Cost Center F - Regulator Oversight Costs for actual costs incurred by the lead regulatory agency in the oversight of the work at the Site, including participation in monthly conference calls, public meetings, review of work plans, review of reports/design plans, and other documentation submitted by Multistate Trust.

Site Name: Former Tronox Mining Site in Caselton, Nevada (the Site)

Site Location: Caselton, Nevada

Multistate Trust Site Code: XXIII

Cost Center	Cost Center Description	2022 Budget	YTD Costs (as of 12/31/2022)	Proposed Budget Amendment Change	Proposed Amended 2022 Budget	2022 Amended Scope of Work
XXIII.A	Regulatory Compliance and Site Operations/Maintenance	\$0	\$0	\$0	\$0	Not applicable at this time.
XXIII.C	New Environmental Actions	\$1,065,000	\$557,492	\$0	\$1,065,000	Amendment No. 2: No change to the budget requested.
XXIII.D	Technical Team/Project Management	\$109,000	\$76,048	\$0	\$109,000	Amendment No. 2: No change to the budget requested.
XXIII.E	Project Fees & Expenses	\$16,000	\$10,553	\$0	\$16,000	Amendment No. 2: No change to the budget requested.
XXIII.F	Regulator Oversight Costs	\$35,000	\$36,090	\$1,100	\$36,100	Amendment No. 2: The second budget amendment is requested to increase Cost Center F - Regulator Oversight Costs for actual costs incurred by the lead regulatory agency in the oversight of the work at the Site, including participation in monthly conference calls, public meetings, review of work plans, review of reports/design plans, and other documentation submitted by Multistate Trust.
XXIII.G	Legal Fees and Accounting Fees	\$51,000	\$22,331	\$0	\$51,000	Amendment No. 2: No change to the budget requested.
XXIII.I	Lease & Property Use (Income & Costs)	\$0	\$0	\$0	\$0	Amendment No. 2: No change to the budget requested.
XXIII	Total Site 2022 Budget	\$1,276,000	\$702,514	\$1,100	\$1,277,100	
	Total Former Tronox Mining Site in Caselton, Nevada Estimated Funding at Beginning of 2022 Budget	\$2,968,000			\$2,968,000	Total funds allocated to the Site per Consent Decree and Environmental Settlement Agreement; less 2011 - 2020 actual and 2021 estimated costs; plus 2011 - 2020 actual and 2021 estimated investment activity and other receipts.
	Estimated Remaining Funds (Post-2022)	\$1,692,000			\$1,690,900	Initial Funding (2/14/11): \$269,287 Anadarko Settlement Funds (2015 and 2016): \$6,797,145 Waterfall Distribution from Sale of Property: \$36,801

***This is a projection based on estimates and is subject to change once final costs have been received. Actual balances are presented in the quarterly distributed financial statements.**

This Single Page Document Constitutes the Annual Budget Submitted to the Lead Agency under Section 3.2.4 of the Multistate Environmental Response Trust Agreement. Supplemental Worksheets, if any, Do Not Comprise a Portion of the Annual Budget.

Notes:

¹Subject to further consultation with its Lead Agencies and the United States, the Multistate Trust currently defines an Owned Funded Site (OFS) as a "Critical Site" if the OFS lacks sufficient Environmental Cost Account (ECA) funds to address one or more of the following criteria or conditions: (i) Known, uncontrolled, unacceptable or potentially unacceptable exposure of human and/or ecological receptors to OFS site contaminants; (ii) Uncontrolled migration of OFS contaminants off-site at concentrations that exceed applicable risk-based criteria; (iii) Unable to characterize the nature and extent of contamination to determine whether there is an unacceptable exposure of human health and the environment to OFS contamination, and to implement protective remedies; and (iv) Potential impacts to drinking water supplies, actual or likely direct human contact and sensitive socioeconomic impacts, including Environmental Justice communities and populations at risk, because the Multistate Trust endeavors to prioritize such OFSs.

Critical Sites need an infusion of funds sufficient to address the above criteria so that an OFS is no longer classified as a Critical Site. Additional funds will likely be necessary to achieve regulatory closure. While many OFSs may lack sufficient funds to achieve final regulatory closure (including long-term stewardship), funding shortfalls in those cases can potentially be addressed by funding receipts from waterfaling funds under the Settlement Agreement and Multistate Trust Agreement, interest income, the sale of property and/or the transfer of such responsibility to a successor to the Multistate Trust.