

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

Greenfield Environmental Multistate Trust LLC,

Trustee of Multistate Environmental Response Trust (Multistate Trust)

Exhibit I

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Summary of Site Work Completed in 2021 and Planned for 2022:

Work Completed in 2021: In September 2021, the Multistate Trust and its third-party contractor remobilized to Pioche, NV to begin the Operable Unit 1 (OU1) Yard Soil Removal (YSR) Action. Soils contaminated with lead and arsenic were removed from the affected properties, sampled, backfilled and restored as agreed to with the property owner. The Multistate Trust engaged in discussions and negotiations with a property owner to acquire their property for the purposes of integration into the overall cleanup plan. The Multistate Trust sought to perform an Alta Title survey but upon receipt information from the title company and the surveyor, it was determined that there was a potential title issue. The Multistate Trust worked with both the property owner and Lincoln County to develop a path forward. As such, Lincoln County is considering acquiring the property and is working with the Multistate Trust on a funding and access agreement. The University of Nevada Reno (UNR) continued its research of the Caselton Wash Tailings located in Operable Unit 5 (OU5). This research has been delayed due to the COVID-19 pandemic. The Multistate Trust participated in communications with The Nature Conservancy (TNC) and the Nevada Division of Environmental Protection (NDEP) to evaluate options for Operable Unit 4 (OU4) that consider solar as a potential end use. The Multistate Trust participated in three (3) Site visits (pre-construction/construction meetings for the OU1 YSR Action, including residents, the Town of Pioche and Lincoln County; and meetings with TNC and legislative representatives). Performed overall project management and coordination of activities. Utilized local on-call support to assist with meeting preparation, community coordination and other requested tasks. The Multistate Trust and the NDEP continued to revisit the overall Site strategy due to funding limitations, along with monitored/tracked the long-term forecast and continued to develop a strategy for removing the site from the "Critical Sites List". This included participating in various discussions with the NDEP, as the Lead Agency, and the United States.

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. OU5: 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.

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	Total 2021 Amended Approved Budget	Project Costs Incurred in 2021 (as of 12/30/2021)	2022 Budget	2022 Scope of Work
XXIII.A	Regulatory Compliance and Site Operations/Maintenance	\$0	\$0	\$0	Not applicable at this time.
XXIII.C	New Environmental Actions	\$2,287,700	\$1,288,687	\$1,065,000	<p>OU1: Complete the implementation of the OU1 YSR Action, specifically Parcel Nos. 001-112-06, 001-112-29 and 001-112-07 and the OU1 YSR Action Construction Completion Report. The budget for the implementation of the OU1 YSR Action includes contingency to manage field change orders, including weather delays. Budget includes a \$50,000 placeholder allowance to acquire a property in OU1 for purposes of integration into the overall cleanup plan. The Multistate Trust is in the process of finalizing the scoping document to stop the immediate migration of tailings from Parcel No. 001-111-21 onto the adjacent properties and into the Newark Street during large storm events. After the Multistate Trust obtains cost proposals from third-party contractors and further discussion with NDEP, a budget amendment will be submitted.</p> <p>OU2: No further action is necessary for OU2; thus, no Environmental Actions are planned in 2022.</p> <p>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.</p> <p>OU5: UNR's schedule for implementing the OU5 Caselton Wash Tailing research project slipped due to the COVID-19 pandemic; thus, UNR now anticipates that it will complete its research and final project report in 1st half of 2022. Upon completion of UNR's research, the Multistate Trust's third-party contractor will prepare the draft and final OU5 RI Report that will include (i) results from the Caselton Wash sampling results, (ii) a summary of UNR's analysis, (iii) results from semi-annual groundwater monitoring events (CW-MW-2), and (iv) the screening level HHRA and SLERA.</p> <p>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 SME support services to support the overall implementation of Environmental Actions at the Site.</p>
XXIII.D	Technical Team/Project Management	\$109,000	\$62,854	\$109,000	<p>Budget includes fees and expenses for (i) the Site Project Manager to oversee, manage, and coordinate all contractor and subcontractor procurement activities and contractor/subcontractor performance of all Environmental Actions (including preparation of all work plans, technical studies, and other deliverables, implementation of fieldwork, development of Site technical strategy, participation in beneficiary and stakeholder meetings, and budget support); (ii) the Director of Communications to support public meetings, communication deliverables (e.g., fact sheets, public notices, and press releases), and news media relations; (iii) the Director of Construction Services to support the OU1 YSR Action construction activities; and (iv) the Program Director to authorize statements of work, manage financial affairs in consultation with the DOFA and Site PM, implement project controls, including schedules, review technical deliverables, and maintain critical and key communications with the beneficiaries and other stakeholders. Budget also includes travel and other expenses for the Multistate Trust team to participate in Site visits and meetings with the beneficiaries and other stakeholders. Budget includes costs to support communications with The Nature Conservancy regarding the potential for solar. Budget also includes fees and expenses for developing the strategy to remove the site from the "Critical Sites List" and for participating in discussions with the Lead Agency and United States.¹</p>
XXIII.E	Project Fees & Expenses	\$21,000	\$13,682	\$16,000	<p>Budget includes Managing Principal time and expenses for: oversight and approval of technical strategy and Environmental Actions; beneficiary communications; support for beneficiary and community involvement; key stakeholder communications; policy matters; Settlement and Trust Agreement matters; and redevelopment planning activities. Budget also includes fees and expenses for developing the strategy to remove the site from the "Critical Sites List" and for participating in discussions with the Lead Agency and United States.¹</p>
XXIII.F	Regulator Oversight Costs	\$35,000	\$13,607	\$35,000	<p>Oversight costs for lead regulatory agency, including participation in monthly conference calls, public meetings, review of work plans, review of reports/design plans, and other documentation submitted by Multistate Trust.</p>
XXIII.G	Legal Fees and Accounting Fees	\$64,000	\$41,954	\$51,000	<p>Budget includes fees and expenses for in-house legal services required to support Environmental Actions, including the preparation and execution of contracts, SOWs, access agreements, and other legal affairs. The budget also includes costs for financial services, including accounting, bookkeeping, financial reporting, invoice processing, budget preparation, and budget tracking. Costs associated with the Altair and other property-related matters are included in the 2021 AA budget. Budget also includes fees and expenses for developing the strategy to remove the site from the "Critical Sites List" and for participating in discussions with the Lead Agency and United States.¹</p>
XXIII.I	Lease & Property Use (Income & Costs)	\$0	\$0	\$0	None anticipated
XXIII	Total Site 2022 Budget	\$2,516,700	\$1,420,784	\$1,276,000	
	Total Former Tronox Mining Site in Caselton, Nevada Estimated Funding at Beginning of 2022 Budget Year*			\$2,972,000	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)			\$1,696,000	<p>Initial Funding (2/14/11): \$269,287 Anadarko Settlement Funds (2015 and 2016): \$6,797,145 Waterfall Distribution from Sale of Property: \$36,801</p>

*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.