PUBLIC RECORD

28 August 2026

The Director - Investigations
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601

Titanium dioxide exported from the People's Republic of China

Investigation No. 699

Dear Director,

This submission is made on behalf of Tronox Limited ("Tronox"), the sole Australian manufacturer of titanium dioxide (TiO_2), in Investigation No. 699 concerning TiO_2 exported from the People's Republic of China ("China"). It responds to the non-confidential exporter questionnaire responses placed on the public record between 23 and 31 July 2026:

- LB Group Co., Ltd (EPR 12),
- Henan Billions Advanced Material Co., Ltd (EPR 13),
- LB Sichuan Titanium Industry Co., Ltd (EPR 14),
- LB Xiangyang Titanium Industry Co., Ltd (EPR 15),
- LB Lufeng Titanium Industry Co., Ltd (EPR 16),
- Chongqing Titanium Industry Co., Ltd of Pangang Group (EPR 17), and
- Anhui Gold Star Group (EPR 18).

Tronox has reviewed each response against the particular market situation ("PMS") and cost-replacement case set out in its submission of 3 August 2026 (EPR 19) and its response to LB Group's PMS submission (EPR 20). The purpose of this submission is to draw the Commission's attention to the respects in which the exporters' own answers and public exhibits corroborate that case, to identify contradictions between the responses that require resolution, and to renew and particularise Tronox's requests for verification. All material referred to below is taken from the public record; no confidential information of any exporter is disclosed or relied upon.

1. Summary

The questionnaire responses were the exporters' opportunity to answer the PMS evidence with verifiable, company-specific facts. Read together, they do the opposite. A major exporter admits on the public record that it is wholly state-owned. The two largest respondents refuse to deny that Communist Party members sit on their boards. On that question alone, they tell the Commission to look at a confidential exhibit.

The five LB entities do the same with the subsidies question, answering by confidential exhibit rather than denial. Six of the seven confirm that every export transaction requires a government licence. The responses also confirm, group by group, the integrated structure through which titanium feedstocks pass between related parties before they reach the entity whose records the Commission is asked to accept.

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Where the responses do engage with the PMS evidence, they do so through denials that cannot be reconciled with instruments already before the Commission, or with each other.

It is submitted that the responses, in their public form, strengthen rather than displace the case that a PMS exists in the Chinese TiO_2 market within the meaning of subparagraph 269TAC(2)(a)(ii) of the Customs Act 1901 ("the Act"), and that the exporters' recorded input costs do not "reasonably reflect competitive market costs" for the purposes of paragraph 43(2)(b)(ii) of the Customs (International Obligations) Regulation 2015 ("the Regulation").

2. The responses corroborate the particular market situation

2.1 State ownership of a major exporter is admitted

Chongqing Titanium answers question H-2.1 confirming that it "is a state-owned company". At H-2.7 it confirms that it is "wholly state-owned".

Its section A answers identify its shareholder as Pangang Group Vanadium and Titanium Resources Co., Ltd ("PGVT", SZ 000629). Its related companies include Pangang Group Titanium Industry Co., Ltd, a chloride-process producer located in the Sichuan Panzhihua Vanadium-Titanium Industrial Park, and two related trading companies through which its Australian sales are made:

- Pangang Group Chongqing Vanadium & Titanium Technology Co., Ltd, in the Maliu Riverside Development Zone, and
- Pangang Group Chengdu Vanadium & Titanium Resources Development Co., Ltd, in the China (Sichuan) Pilot Free Trade Zone.

These admissions confirm the state ownership of the Pangang group producers described in Tronox's PMS submission. They also place a related producer of the goods physically within the Panzhihua vanadium-titanium complex addressed in the ore-distortion analysis at sections 1.7 and 2.2 of that submission.

Chongqing Titanium's answers to the adjacent governance questions are consistent with its ownership. Its answer on the affiliation of its directors with the Government of China ("GOC") is wholly confidential, and its answer on Communist Party representation refers only to a confidential exhibit. Neither is a denial.

2.2 Communist Party presence

LB Group states about its board members that "None of members are affiliated with the Government of China", and denies that any director is appointed, managed or recommended by the GOC. Between those two express denials sits question H-2.5, which asks whether the board of LB Group or any related entity includes a representative of the Chinese Communist Party. To that question alone, LB Group answers: "For the directors and shareholders' relationship with CCP, please refer to Exhibit H-2.2 [CONFIDENTIAL]."

A respondent that could deny the relationship would have done so, as it did on the adjacent questions. Chongqing Titanium answers the same question in the same way. The application's evidence of Party organisation within LB Group, drawn from LB Group's own annual report, remains unanswered on the public record.

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Anhui Gold Star does deny Party representation, but on a basis that the Commission should test. Its answer asserts that "[a]ccording to the Company Law of China, there is no mechanism for the Chinese Communist Party to appoint representatives to the Board of Directors or Board of Shareholders of a private company", while conceding that "some employees of our companies may be CCP members".

The premise of that answer is inconsistent with the Company Law of the PRC itself, which is before the Commission as Exhibit B-3.8 to the application and which requires companies to establish Party organisations and to provide the conditions necessary for their activities. A denial that rests on a misstatement of the governing law carries little weight.

2.3 Receipt of government benefits

Question H-15 asks each respondent whether it or its related suppliers received subsidies during the investigation period, being financial grants, preferential tax treatment, loan guarantees, loans at below-market rates or reductions in land-use fees, and, if so, to list them. Each of the five LB entities answers only: "Please refer to Exhibit H-15 [CONFIDENTIAL]."

The question calls for a list only where benefits were received. None of the five denies receipt. The natural reading of five identical confidential referrals is that benefits were received by each entity and that the particulars have been withheld from the public record. That reading is consistent with the subsidy disclosures in LB Group's own published annual reports relied on in the application and in section 2.3 of the PMS submission, including the RMB 30.71 million in government subsidies disclosed for the first quarter of 2024 alone.

Chongqing Titanium and Anhui Gold Star, by contrast, deny receiving any benefit. Both denials are verifiable. PGVT is a listed company whose financial statements disclose government-grant income as a standard line item, and Chongqing Titanium's denial of utility concessions is itself qualified by a reference to a confidential exhibit. Tronox requests that the Commission test both denials against the audited financial statements provided in the confidential responses and against the published accounts of the listed parents.

2.4 Every export transaction requires a government licence

All six respondents give materially identical answers to question H-11.6: "For each export transaction, the company needs to apply export licence, which describes transaction details." This is a public confirmation, from the exporters themselves, that exports of the goods move only under transaction-specific state licensing. It corroborates the role of the Catalogue of Goods Subject to Export Licence Administration described in section 1.5 of the PMS submission, and it is direct evidence of the GOC's administrative presence at the point of export. Each respondent denies that presence when asked to describe its interaction with the GOC.

Anhui Gold Star answers the same question in the opposite sense: "no export licences needed". Cooperating exporters of the same goods in the same period cannot both be right about the same regulatory requirement. The contradiction should be put to the parties, and the answer verified, because it bears both on the licensing evidence itself and on the reliability of the responses more generally.

2.5 The VAT treatment of exports

Anhui Gold Star confirms at H-7.2 that "[d]uring the period, the VAT export rebate rate applicable to the goods is 13%." That answer corroborates the export-rebate asymmetry described in section 2.1 of the PMS submission, where finished TiO_2 retains a full 13% rebate while titanium-bearing ores attract none, a fiscal structure that channels ore into domestic processing and subsidises the export of the finished good.

The five LB entities assert the opposite: "No value-added tax rebate applicable to exports of TiO2. The exported sales are treated as domestic sales that involves 13% value-added tax rate." None of them provides the five-year chronology of rebate rates that question H-7.3 expressly requires, notwithstanding the rebate adjustments effected by MOF–STA Announcement No. 15 of 2024 within that window.

The two accounts are irreconcilable for the same goods in the same period. Tronox requests that the Commission resolve the contradiction at verification and obtain the chronology the questionnaire required.

2.6 The integrated structure of the exporting groups

Section 2.4 of the PMS submission explained why the integrated structure of the Chinese producers means that the cost recorded at the exporting entity understates the true cost of TiO_2, where feedstocks and intermediates move between related entities, on terms those entities set, before they enter the books of the company whose costs the Commission is asked to accept. The questionnaire responses confirm that structure in each group's own words.

LB Group describes a group of five producers and two related traders. LB Group itself manufactures synthetic rutile as an "intermediate material for related producers' chloride production of TiO2", and its related Hong Kong trader, Billions (Hong Kong) Corporation Limited, "[p]urchase[s] raw material titanium slag and resold them to the related Chloride TiO2 producer." The chloride feedstock of the group's chloride producers therefore passes through related-party channels, including an offshore related trader, before it is consumed.

LB Group's business licence separately records captive capacity of 600,000 tonnes per year of sulphuric acid, saleable only within the factory, together with scandium oxide production. The group is, on its own public documents, vertically integrated into one of the three inputs whose recorded cost Tronox has asked the Commission to reject and replace.

The G-7.2 worksheet is required to be completed only where raw materials are "sourced as part of an integrated production process or from a subsidiary company which your company exercise[s] control". Henan Billions, LB Sichuan, LB Lufeng and Chongqing Titanium each filed that worksheet, and LB Group's own G-7 answer cross-refers to the G-7.2 table of LB Sichuan. The fact of filing is itself an admission that integrated or controlled-source feedstock supply exists in every producing group.

Every respondent likewise admits that it has related suppliers, and every respondent answers the direct question "Do you purchase materials from State Invested Enterprises?" solely by reference to a confidential table. No respondent denies purchasing from state-invested enterprises anywhere on the public record. In Chongqing Titanium's case no denial would be possible as its related Pangang suppliers are state-owned by its own admission.

The Anhui Gold Star group illustrates the consequence for recorded costs. Gansu Orient and Gansu Hecheng produce "Rutile Crude" from titanium ore and supply it to GS Group, and Anhui's supplementary answer confirms that "the principal material input for the manufacture of finished TiO_2 products" at GS Group is that crude intermediate.

GS Group's own process description records that production "commences with titanium ore & sulfuric acid, progresses through the intermediate stage of crude TiO_2, and culminates in the finished TiO_2 products", and that "[t]he crude TiO_2 is sourced from two channels: (a) in-house production, and (b) external purchases from Gansu Orient and Gansu Hecheng". The ore cost reaches its records only embedded in a related-party transfer price.

Anhui confirms, in the answers given in response to the Commission's deficiency list of 8 July 2026, that the major raw material for the crude is titanium ore, "which specifically refer to Ilmenite", and that "rough TiO_2" and "rutile crude" are used interchangeably for the same intermediate. To the extent that the crude is purchased rather than made in-house, the cost of the ore consumed in producing it does not appear in GS Group's records at all.

Anhui describes that intermediate material as rutile crude. In the sulphate process the rutile crystal is formed during calcination, so material meeting that description is produced after the calcination stage, leaving the finishing operations of milling, surface treatment and micronising to be performed on it.

If that is so, then for the purchased portion, the cost of the titanium ore, the sulphuric acid and the substantial majority of the energy consumed in making the goods has been incurred in the accounts of Gansu Orient and Gansu Hecheng, and not in those of the entity whose records the Commission is asked to accept. Those are the three input costs whose recorded amounts Tronox has asked the Commission to reject and replace.

The treatment of by-products compounds the difficulty. Anhui records that it produces ferrous sulphate as a by-product and those by-products are valued using the net realisable value method. Ferrous sulphate is generated at the digestion and crystallisation stages, which are upstream of calcination.

Where the crude is purchased by GS Group, the by-product credit accrues in the related producer's accounts rather than in GS Group's, and the value assigned to those credits directly affects the cost of the pigment. As section 2.4 of the PMS submission explains, ferrous sulphate has been redirected from an unsold waste stream into lithium iron phosphate cathode supply chains, so the value at which it is credited is capable of materially reducing the recorded cost of TiO_2.

Tronox requests that the Commission establish, for each entity in the group, which entity takes the credit and the basis on which it has been valued.

The public exhibits of the other groups point the same way. Henan Billions' business licence includes "[m]ineral washing and processing" and non-ferrous smelting, LB Lufeng's includes "[m]ineral processing" and the manufacture of metallurgical furnaces, and Chongqing Titanium's includes the licensed production of sulphuric acid at 98% concentration and the supply of industrial water and steam.

These are precisely the circumstances in which paragraph 43(2)(b)(ii) of the Regulation is engaged. The obligation to use an exporter's records arises only where those records "reasonably reflect competitive market costs associated with the production or manufacture of like goods". Where the principal inputs are self-produced within an integrated group, transferred between related parties, or purchased from state-invested suppliers at below market prices, the recorded input cost is a function of the group's internal arrangements and of the distorted upstream markets described in the PMS submission, not of competitive market dealing.

The issue of purchases from related parties is relevant to the construction of Article 2.2.1.1 of the Anti-Dumping Agreement. In European Union – Anti-Dumping Measures on Biodiesel from Argentina the Appellate Body[1] stated:

> "we agree with the Panel that records that are GAAP-consistent may nonetheless be found not to reasonably reflect the costs associated with the production and sale of the product under consideration. This may occur, for example, if certain costs relate to the production both of the product under consideration and of other products, or where the exporter or producer under investigation is part of a group of companies in which the costs of certain inputs associated with the production and sale of the product under consideration are spread across different companies' records, or where transactions involving such inputs are not at arm's length."

The method of that enquiry was addressed by the Panel in United States – Anti-Dumping Measures on Certain Oil Country Tubular Goods from Korea[2]:

> "To examine whether such transactions are or are not at arm's length, and therefore whether the reported prices should be used in constructing normal value, an investigating authority would have to examine the transactions in question."

Where an input is acquired from a related entity, the Act supplies the test. Subsection 269TAA(1) provides that a purchase or sale of goods "shall not be treated as an arms length transaction if ... (b) the price appears to be influenced by a commercial or other relationship between the buyer, or an associate of the buyer, and the seller, or an associate of the seller": Customs Act 1901 (Cth), subsection 269TAA(1)(b), Compilation No. 191, compilation date 28 March 2026.

The Commission has applied that provision to the purchase of a raw material. In Anti-Dumping Commission Report No. 632[3], the Commissioner found:

> "Steel billet is the main component of the cost of production for the goods. MTM purchased all steel billet used to produce the goods from its related party parent company and supplier, MIS. ... The Commissioner finds that MTM's steel billet records did not reasonably reflect raw material input costs associated with production of the goods in China. Specifically, the Commissioner finds that MTM purchased steel billet from MIS in transactions that were not at 'arms length'."

[1] Appellate Body Report, European Union - Anti-Dumping Measures on Biodiesel from Argentina, WT/DS473/AB/R, para 6.33

[2] Panel Report, United States - Certain Oil Country Tubular Goods from Korea, WT/DS488/R, para 7.198

[3] Report No. 632, Certain railway wheels exported to Australia from the People's Republic of China and France, chapter 6.3.5, pages 46 to 47.

That finding is footnoted to subsection 269TAA(1)(b) of the Act. The matters on which it rested are set out in that same chapter[4]:

> "at least some of MIS's steel billet production facilities are co-located with MTM's wheel production facilities"
>
> "MIS and MTM had common management during the period that the parties established the steel billet pricing mechanism"
>
> "MIS's prices to MTM were set according to a different pricing mechanism than MIS's special steel billet sales to unrelated customers – prices to MTM were less variable, included various types of price reductions, and were not closely aligned to the applicable costs or market conditions"
>
> "MIS sold steel billet to MTM for railway wheels during the inquiry period at a loss – including the sales of the steel billet grade used to produce the goods, even though there are no known competitors in the Chinese market for that grade of billet."

That reasoning also bears on the evidentiary threshold. The Commission stated that it:

> "... does not consider that section 269TAA(1) requires additional conclusions about the extent of apparent price influence or the motivation behind that influence."

It added:

> "The Commissioner considers that finding a sale complied with domestic revenue law does not necessarily determine whether that sale is arms length under section 269TAA."

It is submitted that the Commission should take the same approach here. Where a respondent's principal inputs are acquired from related entities and the transfer prices have not been tested under subsection 269TAA(1) of the Act, the recorded costs do not reasonably reflect competitive market costs for the purposes of paragraph 43(2)(b)(ii) of the Regulation.

Verification of the G-7.2 and G-7.4 tables against independent benchmarks is therefore essential, beginning with import-parity prices for titanium feedstocks and sulphuric acid. Tronox renews the benchmarking requests made in sections 3.3 to 3.6 of the PMS submission.

2.7 The reliability of the responses

Where the responses engage with the PMS evidence directly, they do so through denials that cannot withstand the material already before the Commission.

[4] Ibid, page 47.

Each respondent, asked at H-6.1 whether any GOC "opinions, directives, decrees, promulgations, measures" concerning the TiO_2 or titanium-ore industries operated during the period, answers that it "is not aware of any such opinions or guidelines".

The instruments are on the record: the 13th and 14th Five-Year Plans, the 2022 MIIT Guiding Opinions, the NDRC Catalogue for Guiding Industry Restructuring (2024 edition) in which chloride-process TiO_2 is an encouraged category, and the revised Implementation Regulations of the Mineral Resources Law designating titanium a national strategic mineral, each addressed in sections 2.1 and 2.2 of the PMS submission. LB Group also denies that it or its industry holds any "encouraged" designation, although its own subsidiary, Henan Billions, operates the chloride process that the NDRC catalogue encourages by name.

Every respondent answers question H-11.8 in identical terms: "The production capacity is not changed" over the last five years, and each denies the existence of any government approval process for capacity additions. Those answers cannot be reconciled with the growth of Chinese nameplate capacity from approximately 5.13 to 6.05 million tonnes over the injury period, set out in section 2.5 of the PMS submission and in Tronox's response to LB Group, or with LB Group's own published expansion announcements.

LB Group's own published statements contradict that answer. In material published on its international website in February 2023, LB Group stated that it had "~1,215kt TiO2 pigment manufacturing capacity, including 560ktpa chloride-process capacity at its manufacturing sites in Jiaozuo in Henan Province and Chuxiong in Yunnan Province", and described itself as "currently one of the world's top 3 TiO2 pigment manufacturers".[5]

In material published in January 2024, it stated: "With ~1,510kt TiO2 pigment manufacturing capacity at its 6 manufacturing facilities in China, LB Group is currently the world's No.1 TiO2 pigment manufacturer."[6] On LB Group's own figures its stated pigment capacity rose by approximately 295,000 tonnes over that period, its manufacturing facilities went from being described by reference to two named chloride sites to six, and its own description of its ranking moved from one of the top three to first.

The same publication identifies the projects responsible. It states: "Since June 2022, LB Group has commissioned 200kt new chloride-process TiO2 pigment capacity at Chuxiong site in Deyang Province, and 100kt new chloride-process TiO2 pigment capacity at Jiaozuo site in Hennan Province." It records a "new 200kt facility at Jinchang site in Gansu province" producing intermediate TiO_2, and that "[a] new 200kt TiO2 pigment finishing plant is currently under construction at Xiangyang site". It states that LB Group expects "to have around 700kt chloride-process TiO2 pigment capacity by 2025".

The Jinchang facility is relevant on a separate point. LB Group describes the intermediate it produces as calciner discharge, which is the material recovered after the calcination stage. That description supports the analysis of the Anhui Gold Star crude intermediate set out above.

LB Group's Chinese-language project reporting concerns the Yunnan Xinli 200,000 tonne per year chloride-process TiO_2 project. It records that as at 22:53 on 23 October 2022 the

[5] LB Group to promote its new titanium dioxide. February 2023

[6] LB Group will promote its extensive range of titanium dioxide, January 2024.

second line had run for more than 72 hours in linked operation, and that by midday on 24 October that had exceeded 82 hours.[7]

The denial that any government approval process exists for capacity additions is contradicted by the environmental disclosure of Henan Billions, itself a respondent in this investigation. The disclosure concerns an annual 100,000 tonne chloride-process TiO_2 expansion project, and records its construction nature as expansion.[8]

The same disclosure records that the projects concerned had each obtained environmental impact assessment approval and were, at that time, completed and in trial production. It records existing works of 60,000 tonnes per year of chloride-process TiO_2 and two lines of 150,000 tonnes per year of titanium-rich material, and a further 200,000 tonne per year chloride-process line.

An environmental impact assessment approval is a government approval, and it was obtained for an addition to capacity. Tronox requests that the Commission put these publications to LB Group and to each of the LB respondents, including Henan Billions, and require each to reconcile its answers to questions H-11.8 and H-12.1 with them.

A further announcement, made by LB Group itself during this investigation, puts the answer beyond argument. LB Group records that on 2 and 3 August 2026 its chairman, Xu Ran, led a delegation to Panzhihua in Sichuan and concluded a long-term strategic cooperation agreement with Dangsheng Technology, known in English as Easpring.[9]

The agreement is described by reference to a single chain. LB Group records that the parties will deepen cooperation in raw material supply, joint research and development, capacity integration and green manufacturing, and will connect the green closed-loop industrial chain of vanadium-titanium magnetite, TiO_2, ferrous sulphate, iron phosphate and lithium iron phosphate.

That is the chain Tronox has described. It begins in an ore body and ends in a battery, and TiO_2 sits in the middle of it. LB Group states that it has built its lithium battery new materials business relying on the unique resource advantage of ferrous sulphate as a by-product of TiO_2 production.

Its chairman put the point in terms of the input. She is recorded as saying that LB Group's TiO_2 capacity layout is complete, that the by-product ferrous sulphate is the high-quality iron source for preparing iron phosphate, and that since the parties began working together in 2022 the scale of supply has grown year by year.

She is recorded as saying in the same speech that supply will be secured in future through local capacity expansion and capacity integration. The first of the three measures she committed LB Group to is to integrate local inefficient TiO_2 capacity and combine it with regional phosphate rock resources, so as to build a complete titanium and lithium closed loop.

7 LB Group - Company News, October 2022.

8 Chlorination Process Titanium Dioxide Capacity Expansion Project, December 2020.

9 Longbai Group and DangSheng Technology Reach Long-Term Strategic Cooperation, 11 August 2026.

The announcement closes by recording that LB Group will accelerate the construction of projects such as chloride TiO_2 and rare and precious metal recovery at Panzhihua.

An exporter that tells the Commission its production capacity has not changed, and that no government approval process exists for additions to capacity, does not in the same season announce local expansion, the integration of local capacity and the accelerated construction of new chloride plant.

The occasion of the signing is relevant to the government-interaction answers. LB Group records that the ceremony was presided over by Yu Jinchuan, Deputy Secretary of the Panzhihua Municipal Party Committee and Head of its Organisation Department, and that those attending included Fan Jiyue, Deputy Secretary of the Municipal Party Committee and Mayor, Deng Bin, a Standing Committee member and Secretary of the Party Working Committee of the National Vanadium and Titanium High-tech Zone, Li Tangbing, a Standing Committee member and Executive Vice Mayor, and Liu Jianbo, Vice Mayor.

LB Group adds that the parties will bring their projects into effect relying on local policy empowerment. Every respondent answered question H-6.1 by saying that it is not aware of any government opinions or guidelines concerning this industry. LB Group's own announcement records five Party and municipal officials at the signing.

The announcement is also relevant to the responses dealing with utilities. Among the three measures is reliance on a production model using a high proportion of green electricity.

Tronox asks the Commission to put this announcement to LB Group. It should be required to reconcile the announcement with its answers at H-6.1, H-11.8 and H-12.1, and to state what proportion of the ferrous sulphate generated at each of its TiO_2 plants is supplied into iron phosphate production, on what terms, and at what value that ferrous sulphate is credited in the cost records of the producing entity.

The problem is not confined to the LB respondents. Capacity in the Chinese industry has continued to be added during this investigation, on a scale that none of the responses discloses. On 11 August 2026 the board of Tinergy Chemical Co., Ltd, a producer listed on the Shenzhen Stock Exchange under code 002145, and the parent company of Anhui GS Group, resolved to build a plant in Guizhou with an annual output of 400,000 tonnes of TiO_2 and 1.4 million tonnes of ferrous sulphate heptahydrate, at an estimated investment of RMB 5,538,325,700.[10]

That announcement disposes of the denial that capacity may be added in China without government approval. Under the heading of risks the board records that the project may be varied, delayed, suspended or terminated if implementation conditions change, and it names among those conditions the handling of formalities such as project record-filing and environmental impact assessment approval. A listed company does not identify the obtaining of approvals as a risk to a project unless approvals are required.

Anhui answered question H-11.8 by saying that its production capacity has not changed over the last five years, and denied that any government approval process exists for additions to capacity. Its parent approved 400,000 tonnes of new TiO_2 capacity eleven days after that

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[10] Tinergy Announcement No. 2026-035, page 3.

response was lodged, and named project record-filing and environmental impact assessment approval among the formalities whose handling could delay the project.

The scale bears on the first limb of the answer. Tinergy records existing TiO_2 capacity of close to 700,000 tonnes per year, production of 499,000 tonnes in 2025 and sales of 484,500 tonnes, increases of 9.70 and 13.08 per cent on the previous year.[11] One further plant of 400,000 tonnes per year would add more than half as much again to that producer alone.

The reason for the addition does not lie in the TiO_2 market. Item 6 of the major events in the 2025 annual report describes the project as an annual output of 1.4 million tonnes of ferrous sulphate co-producing 400,000 tonnes of TiO_2. The TiO_2 is the co-product. The ferrous sulphate is the product named first, and it is the larger of the two by a factor of three and a half.

The company explains why. Under the heading of its operating model the annual report records that it uses purchased titanium concentrate and sulphuric acid to produce TiO_2 and the by-product ferrous sulphate, and that the ferrous sulphate is further processed to produce iron phosphate. Ferrous sulphate is listed among the products the company sells, alongside TiO_2.

The same report sets out the sulphate process step by step, and records that the ferrous sulphate heptahydrate is crystallised and separated from the titanium liquor by vacuum or freeze crystallisation, before hydrolysis and calcination. A Chinese producer has therefore confirmed, in its own published account of the process, where in that process the by-product arises. That is the point made in section 2.6 above.

The same relationship is relevant to the cost analysis in that section. Anhui values its by-products at net realisable value. Its parent's stated operating model is to convert the ferrous sulphate arising from TiO_2 production into iron phosphate. The Commission should establish whether the realisable value adopted is that of ferrous sulphate as a waste stream, or its value as feedstock to the group's own iron phosphate business.

Nor is the downstream use aspirational. The report records iron phosphate capacity of 100,000 tonnes per year, production of 41,100 tonnes and sales of 39,100 tonnes in 2025, and states that the products had been accepted by downstream customers and supplied in volume. The August 2026 announcement records the purpose of the new investment as accelerating the deployment of fifth-generation high-performance lithium iron phosphate products, and describes the object as an integrated chain running from resources to precursors to cathode materials.[12]

Set against that, the 2025 annual report records net profit attributable to shareholders of RMB 356,817,071.60, a fall of 36.85 per cent, on revenue that rose by 13.22 per cent.[13] Output rose, sales rose, and profit fell by more than a third. A decision to add 400,000 tonnes of capacity in that year is not explained by the returns available on TiO_2.

The arrangements also bear on the government-interaction answers. The annual report records that the associated mining company was established with Guizhou Phosphate Group

[11] Tinergy Chemical Co., Ltd, 2025 Annual Report Summary, Announcement No. 2026-009, 29 April 2026, page 2.

[12] Tinergy Announcement No. 2026-035, page 1.

[13] Tinergy Chemical Co., Ltd, 2025 Annual Report Summary, Announcement No. 2026-009, 29 April 2026, page 5.

in accordance with the guiding spirit of the Guizhou Provincial Party Committee and the Provincial Government on the intensive exploitation of rich ore, and that an allocation of not less than 87 million tonnes of phosphate rock was applied for, so as to achieve self-sufficiency and coupled circulation with TiO_2 production.

The August 2026 announcement records that the joint venture holding 35 per cent of the project company is a state-controlled limited liability company, and that its 51 per cent holder is Guizhou Phosphate Group. It also records that the strategy of transforming from a traditional TiO_2 producer into new energy materials was formulated and implemented during the 14th Five-Year Plan.

Tronox contends that Chinese TiO2 producers have been loss-making since at least mid-2024, and the continued additions to capacity cannot be explained by demand for TiO_2. They are explained instead by the by-products of that production, such as ferrous sulphate, which are used to manufacture key materials for lithium-iron-phosphate batteries and phosphate-based fertilisers.

Tinergy's expansion in TiO_2 production shows that the commercial value of that production in China lies in the co-production of lithium iron phosphate battery materials such as ferrous sulphate. Sustained losses on sales of TiO_2 are therefore not important to integrated Chinese producers such as Tinergy.

Tronox asks the Commission to require each respondent to state, for each of its production sites, the nameplate capacity at the beginning and the end of each year of the injury period, the date of every approval obtained for an addition to capacity, and the authority that granted it.

The uniformity of the responses is not incidental. The seven separately lodged responses answer the government-interaction, capacity, utility-concession and market-description questions in verbatim identical language. That indicates common preparation, and it reduces the weight of any individual answer.

LB Group's market answers warrant specific examination. It describes the Chinese domestic market as having "remain[ed] stable" over the past five years, states that it prices "on the basis of cost of production and reasonable profit", and answers that it "is not the price leader" and "does not know the price leader in the domestic market".

The world's largest producer of TiO_2, whose own price announcement is Exhibit B-3.52 to the application and whose net profit fell by roughly a third in 2024, does not lack knowledge of the identity of the price leader in its home market. The cost-plus pricing claim, if maintained, does not assist LB Group's position. On the evidence before the Commission, domestic prices sat below any competitive-market measure of cost, so either the claim is inaccurate or the "cost" on which LB Group prices is the distorted cost the PMS submission addresses.

LB Group answers that waste is treated in-factory, that "most are discharged", and that some is sold for income. It identifies no third-party disposal costs. This is consistent with the environmental cost differential described in the confidential version of the PMS submission.

Subsections 269TAC(6) and (7) of the Act are the statutory answer to responses of this character. Where the Minister is satisfied that sufficient information has not been furnished or is not available, normal value is "such amount as is determined by the Minister having regard to all relevant information", and the Minister "may disregard any information that he or she considers to be unreliable". Tronox does not ask the Commission to disregard the responses at this stage. It asks the Commission to test them, and to weigh the pattern of admission, confidential referral and contradicted denial described above when it assesses whether the responses displace the PMS evidence.

3. Export price

The Anhui response is also relevant to the export-price issue addressed in Tronox's response of 22 June 2026 to the Anhui submission of 8 June 2026.

Anhui now states on the public record that "GS trading indeed exported to Australia through an intermediary, however this intermediary is not a related company. Our sales to Australia are made indirectly through a chain of unaffiliated intermediaries", and that "[w]e do not have access to, and cannot ascertain, any downstream transaction details beyond our direct sale" to the first intermediary.

It declines on that basis to provide the Australian end customer, the price to that customer and the delivery terms which the questionnaire requires for sales made through intermediaries. Within the group, GS Group's sales to GS Trading are made by a single internal "sales contract... at the end of each month".

Two consequences follow. First, the concessions expose the difficulty in the position Anhui has maintained throughout. From its submission of 8 June 2026 Anhui has asked that export price be determined under paragraph 269TAB(1)(c) on its first sale to an unrelated intermediary, on the basis that the sale is at arm's length and verifiable. The questionnaire response does not depart from that position.

What it establishes is that no sale in Anhui's records is a sale of the goods as exported to Australia. The transaction within the group is made by a single monthly internal contract, and the transaction Anhui proposes is a domestic sale to an intermediary beyond which, on its own account, it can see nothing.

Second, the lack of sufficient information is what subsection 269TAB(3) of the Act addresses. Where an exporter can produce only one side of one transaction, and the parties holding the records that would disclose rebates, offsets or other consideration have declined to participate, the Commission cannot positively satisfy itself under subsection 269TAA(1) that the documented price is unaffected by arrangements elsewhere in the chain.

Tronox makes no allegation about Anhui's motives. The statutory question is the sufficiency and reliability of the information, not the reasons for the structure. The question is whether the price can be verified as an arm's length price for this exportation. On Anhui's own account it cannot.

4. Conclusion

The exporters' questionnaire responses corroborate the central elements of Tronox's PMS case, including:

- admitted state ownership of a major exporter;
- undenied Communist Party presence in the governance of the two largest respondent groups;

- undenied receipt of government benefits by every LB entity;
- transaction-by-transaction export licensing admitted by six of seven respondents;
- confirmed integration of feedstock supply within every producing group; and
- in Anhui's case, confirmation of the 13% export rebate on the goods.

Tronox respectfully requests that the Commission:

- resolve at verification the direct contradictions between the responses on the VAT export rebate applicable to the goods and on the requirement for export licences, and obtain the five-year rebate chronology that question H-7.3 required;
- verify the related-party and state-invested-supplier purchase data in the G-7.2 and G-7.4 tables against independent competitive-market benchmarks for titanium feedstocks, energy and sulphuric acid, applying paragraph 43(2)(b)(ii) of the Regulation, and in doing so examine the intra-group transfer pricing of synthetic rutile, titanium slag and rutile crude;
- where a respondent's principal inputs are acquired from related entities in transactions found not to be at arm's length, find that the recorded costs do not reasonably reflect competitive market costs;
- test the uniform answers that production capacity was unchanged over five years against the capacity data before the Commission and the exporters' published expansion announcements.