



ASX/TSX ANNOUNCEMENT

*Quarterly Report of Operations for the
Period Ended 30 September 2019*



*The only ASX listed company producing high grade, high value
lithium chemicals for global battery and technical markets*

SEPTEMBER QUARTER 2019 KEY HIGHLIGHTS¹

OLAROS LITHIUM FACILITY (ORE 66.5%)²

- Q1 FY20 production was 3,093 tonnes, up 35% on the previous corresponding period (PCP) and the highest ever recorded in a September quarter following a strategy of managing brine quality, new pond preparation and tailoring production to seasonal conditions. Record production was achieved despite extended maintenance activity during August which saw a full plant shutdown for five days and one of the two reactor units offline for the month
- Quarterly sales revenue was US\$22.1 million, down 21% QoQ with a realised average price achieved of US\$7,111/tonne on a free on board basis (FOB)³. September quarter product pricing was below that of the June quarter due to current market softness. Sales volume for the quarter was down 8% QoQ to 3,108 tonnes
- Gross cash margins (excluding export tax) of US\$2,226/tonne were down 40% QoQ mainly due to the lower average price received and this represents 31% of revenue
- Cash costs for the quarter (on cost of goods sold basis)⁴ were US\$4,885/tonne, up 9% on QoQ excluding the export tax of US\$420/t applicable since September 2018.

LITHIUM GROWTH PROJECTS

- During the quarter Orocobre Managing Director and CEO Mr. Martín Pérez de Solay, Toyota Tsusho Corporation (TTC) and Toyotsu Lithium Corporation (TLC) representatives hosted a groundbreaking ceremony to signify the commencement of construction at the Naraha Lithium Hydroxide Plant (Naraha Plant)
- Project finance documentation was executed for a US\$180 million debt facility that will be used for the Stage 2 Expansion of the Olaroz operations
- Construction of key items for the Stage 2 Expansion of the Olaroz Lithium Facility such as ponds, secondary liming plant, roads and camp upgrades continue to advance.

BORAX ARGENTINA

- Overall sales volume for the September quarter was 12,480 tonnes, up 6% QoQ and up 33% PCP
- Sales revenue was the same QoQ, with average price received down 6% QoQ due to the product mix.

CORPORATE

- As at 30 September 2019, Orocobre corporate had available cash of US\$223.5 million after expenditure mainly related to funding Olaroz expansion activities, corporate costs and Cauchari JV expenditure. Including Sales de Jujuy S.A. (SDJ) and Borax Argentina S.A. (Borax) cash, project debt and working capital facilities, net group cash at 30 September 2019 was US\$151.2 million.

CAUCHARI JOINT VENTURE

(ADVANTAGE LITHIUM OPERATOR 75% / OROCOBRE 25%)

- During the quarter Orocobre participated in a Private Placement by Advantage Lithium Corp. (Advantage) contributing C\$1,536,025 at a price of C\$0.41 per Common Share.

¹ All figures presented in this report are unaudited

² All figures 100% Olaroz Project basis

³ Orocobre report price as "FOB" (Free On Board) which excludes insurance and freight charges included in "CIF" (Cost, Insurance, Freight) pricing.

Therefore, the Company's reported prices are net of freight (shipping), insurance, sales commission and export taxes. FOB prices are reported by the Company to provide clarity on the sales revenue that is recognized by SDJ, the joint venture company in Argentina

⁴ Excludes royalties, export tax and corporate costs

OLAROZ LITHIUM FACILITY

[Click here for more information on Olaroz](#)

SAFETY

An incident occurred at Olaroz during the quarter resulting in a Lost Time Injury (LTI). As at 30 September, operations had achieved 47 days without an LTI.

During the quarter SDJ completed a large-scale plant maintenance shutdown, with over 300 people working simultaneously on the facilities with the common objective of executing 125 scheduled tasks. The complexity of the work was high, and it was successfully completed without incident. This was achieved through comprehensive collaboration across all departments, a commitment to the shared objective and ample programming and compliance.

DuPont's safety improvement plan continues to address key risks and priorities. Improvement initiatives conducted during the quarter included the elimination of plant-based risk factors and the provision of additional support for middle management to master the hazard and risk identification process.

The reporting of incidents and observations is now being managed entirely through Intelix (a cloud based environmental, health, safety and quality management system), which enables timely and dynamic management of performance afforded by Intelix's mobile incident reporting capabilities.

Meetings and initiatives continue through the central safety committee and five subcommittees (training, operational discipline, audit, risk management and incidents investigations) with the focus currently on follow-up action and minimising delivery times.

PRODUCTION, SALES AND OPERATIONAL UPDATE

PRODUCTION AND SALES

Production for the September quarter was 3,093 tonnes up from 2,293 tonnes on PCP despite the previously mentioned maintenance shut in August.

Product sales were 3,108 tonnes of lithium carbonate with an average price of US\$7,111/tonne on an FOB basis and total sales revenue of US\$22.1 million. The average price received during the quarter was down 13% QoQ.

Metric	September quarter 2019	June quarter 2019	Change QoQ (%)	PCP (Sept FY19)	Change PCP (%)
Production (tonnes)	3,093	3,455	-10%	2,293	35%
Sales (tonnes)	3,108	3,387	-8%	2,144	45%
Average price received (US\$/tonne) ³	7,111	8,220	-13%	14,699	-52%
Cost of sales (US\$/tonne) ⁴	4,885	4,493	9%	4,640	5%
Revenue (US\$M)	22.1	27.8	-21%	31.5	-30%
Gross cash margin (US\$/tonne)	2,226	3,727	-40%	10,059	-78%
Gross cash margin (%)	31%	45%	-31%	68%	-54%
Export tax (US\$/tonne)	420	572	-27%	987	-57%

Gross cash margins for the quarter (excluding export tax) were 31% or US\$2,226/tonne, down 40% QoQ and 78% on PCP. Operating costs (on a cost of goods sold basis, excluding export tax) were US\$4,885/tonne up 9% QoQ and 5% on PCP. Costs were negatively impacted by higher cost carry forward inventory (from Q4 FY19) sold in Q1 FY20, lower production and sales volume.

OPERATIONAL UPDATE

The operational strategy continues to focus on safety, quality and productivity.

The scheduled plant maintenance shutdown at Olaroz during August was successfully completed without any LTIs or environmental incidents. The program was completed under budget and saw a full shutdown of production for five days and one of the two reactor vessels out of operation for the remainder of the month. As a result, August production was approximately 400 tonnes below that of both July and September.

Operational improvements were undertaken to enhance soda ash dosing in the plant's reactors, resulting in lower soda ash consumption rates. Lime consumption was also reduced after upgrades to the liming plant's ball mill and the implementation of better controls across key operative processes.

Salt harvesting activities have been completed with all eight Stage 1 harvest ponds now cleared. 4,363 tonnes of Lithium Carbonate Equivalent (LCE) was collected during the salt harvesting process, equivalent to 132% of forecast recoveries. With the increase in pond area from the Stage 2 Expansion, future salt harvesting will become a continuous process where ponds are harvested on a rotational basis over a three-year cycle.

FUTURE GUIDANCE

Orocobre expects that full-year production for FY20 will be at least 5% higher than FY19. Discussions with customers for December quarter sales remain incomplete, however initial indications are that the average sales price in the December quarter will be approximately US\$6,200 - US\$6,500/tonne.

STAGE 2 EXPANSION AT OLAROZ

During the quarter Orocobre announced the finalisation of the finance facility for the Olaroz Lithium Facility Stage 2 Expansion. Comprehensive project finance documentation between Orocobre, TTC, SDJ, Jujuy Energia y Minera Sociedad del Estado (JEMSE), Mizuho Bank Ltd and Japan Oil, Gas and Metals National Corporation (JOGMEC) has been executed for a US\$180 million debt facility (the Facility) that will be used for the Stage 2 Expansion. Principal repayments will be made biannually, commencing 10 September 2022.

Under the terms of the January 2018 Share Subscription Agreement between TTC and Orocobre the parties agreed to provide non cash-backed guarantees for the Facility. Orocobre also agreed to hold US\$135 million of cash in a separate reserve account. The cash will be held in an interest-bearing term deposit by Orocobre and may be utilised to meet any Stage 2 Expansion cost overruns and other defined events should they occur.

Upon completion of Stage 2 Expansion 82.35% of the Orocobre/TTC guarantee will be replaced by a guarantee from JOGMEC and that proportion of the US\$135 million cash will then be available for Orocobre corporate purposes. The remaining capital that is required for the Stage 2 Expansion will be provided through shareholders loans from Orocobre (75%) and TTC (25%).

PROGRESS TO DATE

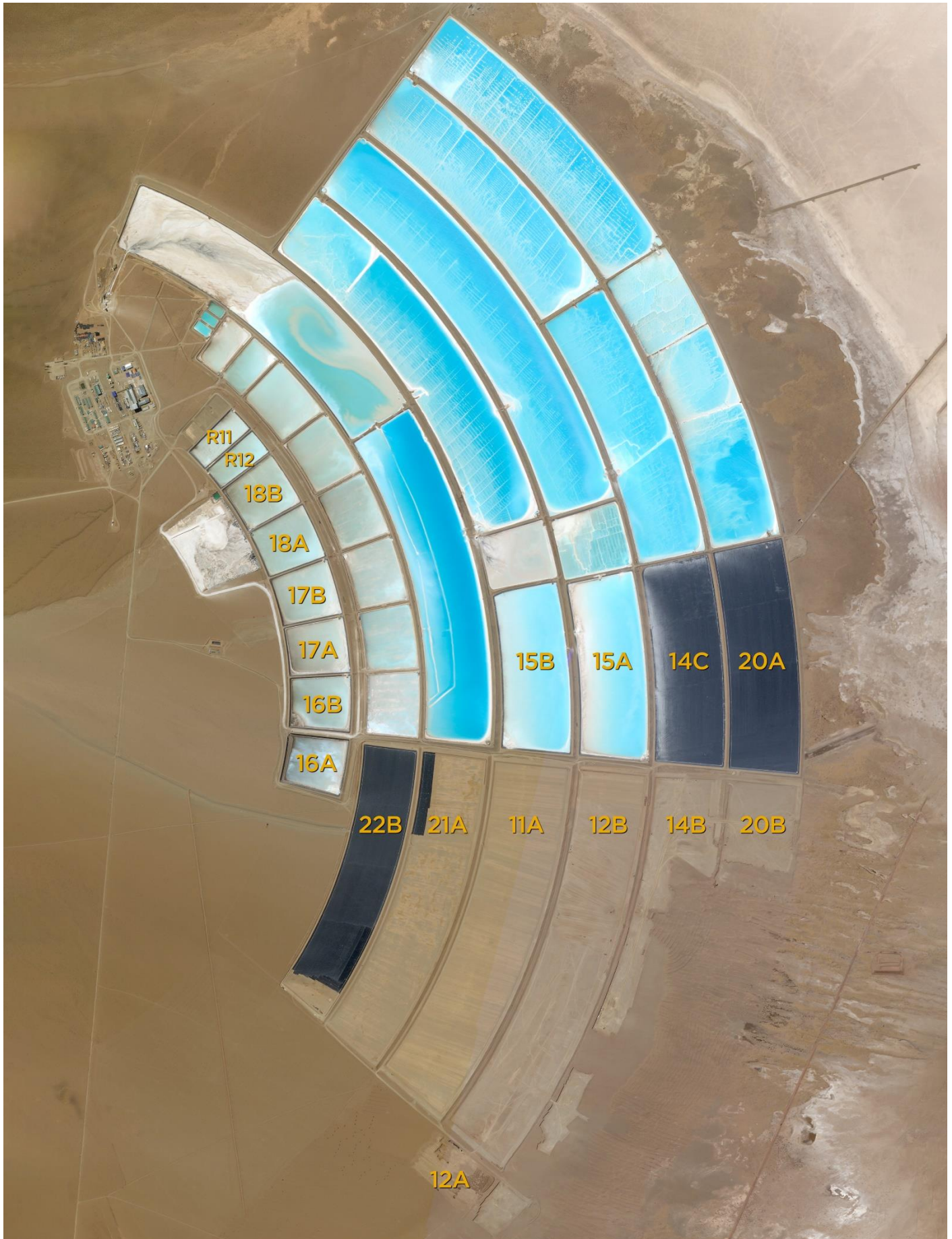
Construction of key items for the Stage 2 Expansion such as ponds, secondary liming plant, roads and camp upgrades continued to advance during Q1 FY20.

As at 30 September, approximately US\$62.2 million has been spent on the first phase of expansion activities including the construction of new roads, vegetation clearing, construction of new evaporation and harvest ponds, secondary liming plant and 15 new production wells.

During Q4 FY19 an invitation to tender was sent out for the design, construction and related earthworks for a number of new buildings required for the Stage 2 Expansion. All tenders are now under final review allowing for construction of the main buildings to begin before the next wet season.

International construction company Worley has been awarded the Engineering, Procurement, Management and Construction (EPCM) contract for the Stage 2 Expansion. Worley has commenced defining the projects safety execution plan. Detailed engineering for the carbonate plant is underway and due for completion in Q2 FY20.

Two new evaporation ponds (20A & 22B) were completed during the quarter. Vegetation clearing and construction of six additional evaporation ponds (21A, 11A, 12B, 14B, 20B & 12A) continues. Brine transfer duct construction continues.



Two new evaporation ponds (20A & 22B) have been completed, with six more under construction (21A, 11A, 12B, 14B, 20B & 12A)

NARAHА LITHIUM HYDROXIDE PLANT

PROGRESS TO DATE

During the quarter Orocobre Managing Director and CEO Mr. Martín Pérez de Solay, TTC and TLC representatives hosted a groundbreaking ceremony to signify the commencement of construction at the Naraha Plant.

The Naraha Plant, the first of its kind to be built in Japan, is designed to convert industrial grade lithium carbonate feedstock into purified battery grade lithium hydroxide. Feedstock for the 10,000 tonne per annum (tpa) Naraha Plant will be sourced from the Olaroz Lithium Facility's Stage 2 Expansion that will produce industrial grade (>99.0% Li_2CO_3) lithium carbonate.

Sales of the lithium hydroxide will be managed by TTC as exclusive sales agent under a similar joint marketing arrangement to that operating for lithium carbonate from the Olaroz Lithium Facility. The majority of production is expected to be delivered to the Japanese battery industry. A cathode manufacturing plant is already in operation in the immediate vicinity and plans have been announced to develop a battery manufacturing facility nearby.

As at 30 September, approximately US\$35 million has been spent on the first phase of engineering and civil works at the Naraha Plant. Further detailed engineering has seen expected total capital expenditure revised to JPY9.5 billion (US\$90 million, US\$1 = JPY105) which remains within previously announced funding availability. Total US\$ expenditure has been negatively affected by approximately US\$4 million due to weakening of the US\$/JPY exchange rate.

Progress to date has seen the issuing of the project's safety management plan and manual, Veolia Water Technologies and TTC project staff attend safety training and procurement commencing for key Naraha Plant components including agitators, polishing filters, hydrocyclones, pumps and a filter press.



Orocobre MD and CEO Mr. Martín Pérez de Solay participating in the Naraha Lithium Hydroxide Plant groundbreaking ceremony

SHARED VALUE PROGRAM AND COMMUNITY

SDJ's community engagement and investment initiatives during the September quarter continued in accordance with the Company's Shared Value approach.

EDUCATION

A total of 20 community employees and contractors are currently participating in formal secondary school studies via the Orocobre supported education program. Students attend classes Tuesdays, Wednesdays and Thursdays every week during the semester. In addition to courses, a series of infrastructure projects were completed during the September quarter which provide improved facilities for community-based education and development. These include teaching rooms in Puesto Sey, multi-use facilities in San Juan and extensions to community halls in both Pastos Chicos and Huáncar.

TRANSPARENCY AND EMPOWERMENT

Our participatory environmental monitoring program continued with ten participants from seven communities undertaking quarterly monitoring activities, with no concerns or observations raised.

Stage one of the capacity building program with lime transport companies from the local communities was completed by Consultoria Logistec. Stage two of the program is now underway. Investment in local community suppliers has continued, with supply contracts to local communities injecting on average US\$1.2 million per month into the local economy.

PRODUCTION AND NATURAL RESOURCES

During the month of August, the traditional 'Pachamama Festival' was held, providing an opportunity for local communities to give thanks to Mother Earth. The Shared Value team actively participated in the celebrations across all local communities. The largest celebration was held at the Olaroz Lithium Facility with representatives attending from the local and provincial governments.

The Vicuña Shearing Project has progressed, with analysis and census of vicuña numbers from the Olaroz Chico community now completed and the final report being delivered to the provincial government authorities in order to obtain the necessary permit. Once the permit has been granted the planning of the project's second stage will commence. The project will directly benefit 16 families/llama producers, as the shearing infrastructure can be used for both llamas and vicuñas.

Construction of a greenhouse built from recycled plastic bottles was completed for the Primary School in Coranzuli. It was built in collaboration with the Community Commission, parents, students, teachers, and the broader municipality accompanied by SDJ's Shared Value team.

Further technical training was delivered by INTI (Argentine National Institute of Technology) to women involved in the fibre spinning business in Huáncar to improve their weaving techniques and use of new machinery.



SDJ hosting the annual Pachamama Festival celebration at the Olaroz Lithium Facility

MARKET AND SALES

Industry-specific and broader macro-economic factors continue to impact lithium chemical demand. However, Orocobre remains focused on strong long-term demand fundamentals driven by continued growth in the electric vehicle (EV) segment and a recovery in the energy storage system (ESS) segment. As a result, Orocobre maintains long-term demand forecasts in line with the consensus of other major lithium producers of 17% to 20% CAGR between 2019 and 2025.

SUPPLY

During the September quarter lithium chemical prices in the seaborne market remained in line with the Chinese domestic market due to the involvement of large Chinese hard rock converters. China's battery market was adequately supplied by domestic sources encouraging Chinese producers to continue supply to South Korean and Japanese battery markets.

Established South American brine producers leveraged their cost structure to marginalise independent hard rock suppliers that are still in ramp-up and have limited opportunity to lower price. As a result, Chinese imports of lithium chemicals grew at the expense of new, independent hard rock supply.

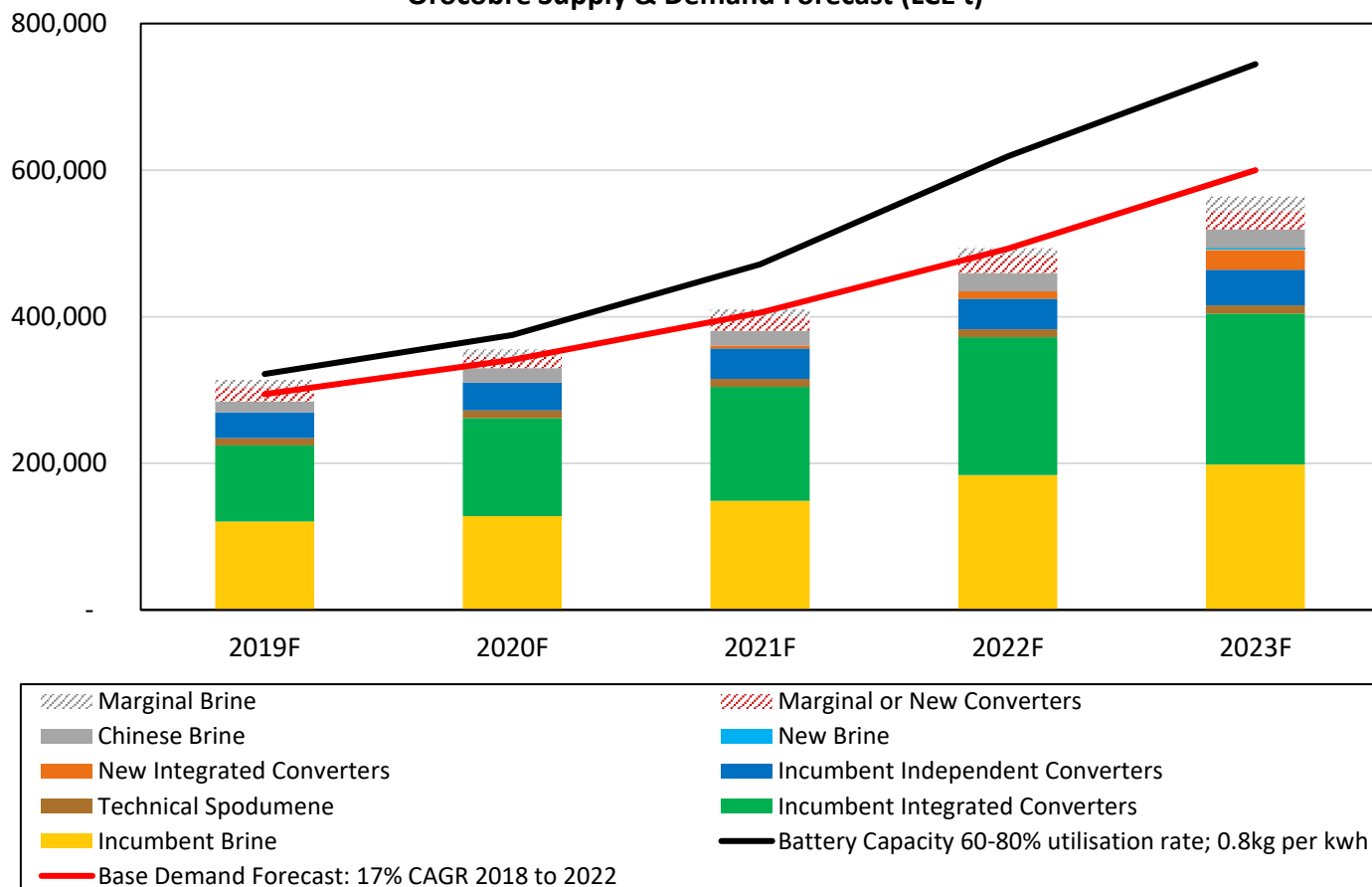
Battery customers maintained a cautious approach to procuring raw materials while glass, ceramics customers and small chemical conversion plants reported adequate supply to meet near-term requirements. Large chemical converters purchased opportunistically resulting in an aggressive pricing environment.

DEMAND

Short-term demand remained subdued due to the same set of factors as the previous quarter including slower Chinese EV market growth, cathode/battery performance challenges, US/China trade war and lower ESS demands following safety incidents. However, signs of strong long-term fundamentals continued to build.

The European Union reiterated their focus on the reduction of CO₂ emissions which will result in more stringent penalties implemented in 2021. Capacity commitments of battery manufacturers continued to grow with ~2,026 GWh committed compared with ~292 GWh in 2019. Furthermore, several partnerships were announced including Toyota and CATL, Northvolt and VW, and LG Chem and Tesla demonstrating a commitment to accelerate battery technology development and EV adoption.

Orocobre Supply & Demand Forecast (LCE t)



CONCLUSION

While weak market conditions have persisted longer than expected, a recovery is expected when the battery supply chain reaches more manageable inventory levels. A strong acceleration in market demand growth is expected in the medium to long term as EV manufacturing profitability improves, total cost of EV ownership lowers and battery technology objectives within the EV and ESS segments including energy density, range and safety are achieved.

Outside of Europe and China, India's government has introduced a series of initiatives leveraging a significant budget of US\$1.5 billion over three years to develop a battery supply chain. Meanwhile the US and Australian governments remain in discussions to develop battery supply chains domestically.

BORAX ARGENTINA S.A.

SAFETY

Two LTIs were recorded at the Tincalayu mine during the quarter. As at 30 September, the Sijes mine had achieved 229 days without an LTI, Tincalayu had achieved 74 days without an LTI and Campo Quijano had achieved 182 days without an LTI.

PRODUCTION, SALES AND OPERATIONAL UPDATE

Borax continues to demonstrate improvement in sales performance. Business development projects are being converted into sales growth with new supply agreements being signed with world-class players in the fertilizer and industrial sectors. Unit costs continue to be controlled at, or near record lows.

The September quarter saw Borax deliver another good performance with 12,480 tonnes sold (up 6% QoQ and up 33% PCP). Total sales revenue was the same QoQ, with average price received down 6% QoQ due to product mix.

COMBINED PRODUCT SALES VOLUME BY QUARTER

Previous Year Quarters		Recent Quarters	
December 2017	8,341	December 2018	10,741
March 2018	9,079	March 2019	13,041 ⁵
June 2018	10,590	June 2019	11,758
September 2018	9,407	September 2019	12,480

TINCALAYU EXPANSION STUDY

The study on an expansion of the Tincalayu refined borates operation remains under review. Approvals have been received for a new gas pipeline to supply the expanded plant and initial cost estimates are under review.

⁵ Includes 2,312 tonnes of low value mineral product

ADVANTAGE LITHIUM CORP.

Advantage Lithium Corp. (TSV:AAL) manages a portfolio of high-quality assets in Argentina, including the Cauchari Joint Venture in which Orocobre holds a 25% interest. Orocobre also holds approximately 34.7% of Advantage's common shares.

During the quarter Orocobre agreed to support a Private Placement by Advantage. Orocobre's investment in this capital raise was C\$1,536,025 and following completion of the placement, Orocobre now holds 34.7% of Advantage's Common Shares (56,564,909). The Common Shares issued pursuant to the Private Placement are subject to a four month hold period from the date of closing.

The funds will be used by Advantage for general working capital and to fund continued development and exploration activities on its lithium properties in Argentina.

Advantage are preparing a Pre-Feasibility Study (PFS) that will examine all production and processing alternatives and recommend an optimal development path. The PFS will include a range analysis for up to 30,000 tonnes per annum final lithium product, including lithium hydroxide.

CORPORATE AND ADMINISTRATION

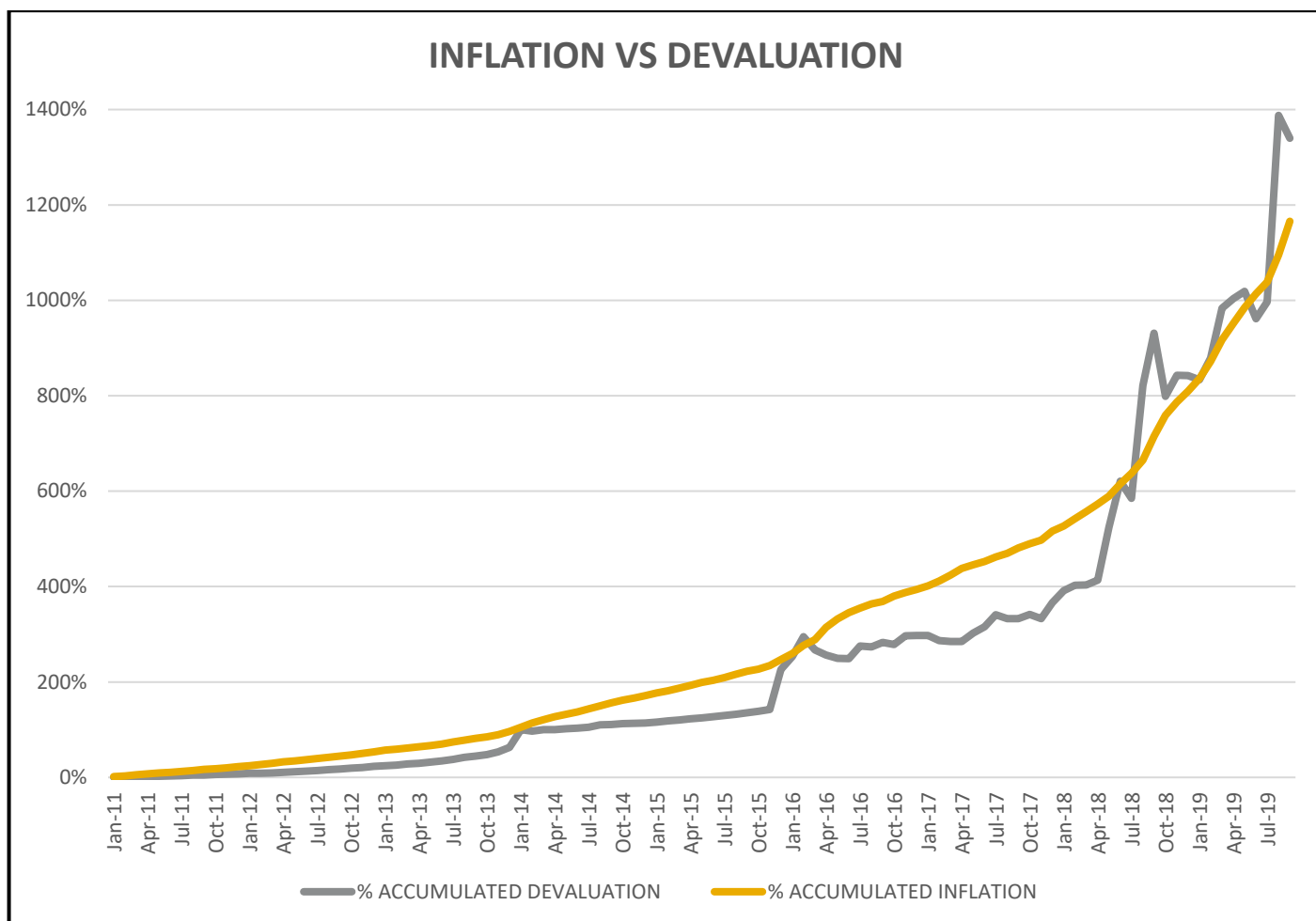
FINANCE

CASH BALANCE

As at 30 September 2019, Orocobre corporate had available cash of US\$223.5 million of which US\$11.1 million has been set aside as a guarantee for the Naraha debt facility.

The US\$24.3 million cash reduction from the prior quarter was the result of a US\$20.7 million shareholders loan made to the SDJ Joint Venture to fund Olaroz expansion activities, US\$2.8 million in corporate costs, US\$1.4 million Advantage investment payment, US\$0.2 million in Cauchari JV expenditure. This expenditure was partially offset by US\$0.8 million interest income.

Including SDJ and Borax cash and project debt, net group cash at 30 September 2019 was US\$151.2 million, down from US\$181.0 million at 30 June 2019.



INFLATION VERSUS DEVALUATION

The AR\$/US\$ exchange rate depreciated by 36% during the quarter from AR\$42.46/US\$ at 30 June 2019 to AR\$57.59 at 30 September 2019, whilst inflation for the same period was approximately 14%. When looking at the accumulated 12-month period from 1 October 2018 to 30 September 2019, devaluation of the AR\$ against the US\$ was 40% versus inflation of approximately 55%. Over time, inflation and devaluation generally cancel each other out.

OTHER MATTERS

NEW OROCOBRE CHIEF OPERATING OFFICER

Orocobre has welcomed Mr. Hersen Porta into the role of Chief Operating Officer (COO). Hersen will be responsible for overseeing the operations of both the Olaroz Lithium Facility and Borax. Hersen has significant experience in process engineering, production, process control and quality performance and additionally has been involved with commissioning of several new chemical plants which will be invaluable experience as the Stage 2 Expansion is completed.

VISIT BY GOVERNOR MORALES

During the quarter SDJ, the local operating company of the Olaroz Lithium Facility, conducted a site tour and press conference together with the Governor of Jujuy, Gerardo Morales. The press conference was held for local media and dignitaries to discuss the Stage 2 Expansion project, employment of local Jujuy community members and the promising future of lithium production in the Jujuy region.

The event was attended by Minister of Infrastructure, Public Services, Land and Housing, Mr. Jorge Rizzotti; the President of the Board of Drinking Water of Jujuy, Mr. Víctor Galarza; the Secretary of Mining and Hydrocarbons, Mr. Miguel Soler; the Secretary of Indigenous Peoples, Ms. Alejandra Liquín; the President of JEMSE, Mr. Carlos Oehler; Managing Director and CEO of Orocobre, Mr. Martín Pérez de Solay; COO, Mr. Hersen Porta; SDJ General Manager of Operations, Mr. Francisco Torres; together with workers from SDJ.



Orocobre MD and CEO Mr. Martín Pérez de Solay addressing media and dignitaries at the Olaroz press conference

FOR FURTHER INFORMATION PLEASE CONTACT:

Andrew Barber

Investor Relations Manager

Orocobre Limited

T: +61 7 3871 3985

M: +61 418 783 701

E: abarber@orocobre.com

W: www.orocobre.com



[Click here to subscribe to the Orocobre e-Newsletter](#)

ABOUT OROCOBRE LIMITED

Orocobre Limited is listed on the Australian Securities Exchange and Toronto Stock Exchange (ASX:ORE) (TSX:ORL) and is a substantial Argentinian-based industrial chemicals and minerals company operating a portfolio of lithium, potash and boron projects and facilities in the Puna region of northern Argentina. The Company has built, in partnership with Toyota Tsusho Corporation and the investment division of the Jujuy Provincial Government (JEMSE), the first large-scale, greenfield brine-based lithium project in approximately 20 years at the Salar de Olaroz with planned production of 42,500 tpa of low-cost lithium carbonate.

The Olaroz Lithium Facility has a low environmental footprint because of the following aspects of the process:

- The process is designed to have a high processing recovery of lithium. With its low unit costs, the process results in low cut-off grades, which maximises resource recovery.
- The process has a zero liquid discharge design. Waste products are stored in permanent impoundments (the lined evaporation ponds). At the end of the project life the ponds will be capped and returned to a similar profile following soil placement and planting of original vegetation types.
- Brine is extracted from wells with minimum impact on freshwater resources outside the Salar. Because the lithium is in sedimentary aquifers with relatively low permeability, drawdowns are limited to the Salar itself. This is different from halite hosted deposits such as Salar de Atacama, Salar de Hombre Muerto and Salar de Rincon where the halite bodies have very high near surface permeability and the drawdown cones can impact on water resources around the Salar affecting the local environment.
- Energy used to concentrate the lithium in the brine is solar energy. The carbon footprint is lower than other processes.
- The technology developed has a very low maximum fresh water consumption of <20 l/s for current production which is low by industry standards. This fresh water is produced by reverse osmosis from non-potable brackish water.
- Sales de Jujuy S.A. is also committed to the ten principles of the sustainable development framework as developed by The International Council on Mining and Metals. The Company has an active and well-funded “Shared Value” program aimed at the long-term development of the local people.

In accordance with its Community Policy, Orocobre continues to empower its communities through capacity building initiatives, and to encourage and facilitate direct and indirect community involvement in its activities. Priority in employment and procurement is given to the local communities of Olaroz, Huáncar, Puesto Sey, Pastos Chicos, Susques, Catua, Jama, El Toro, Coranzuli and San Juan de Quillaques, all of which receive the necessary education, training, development and support through Orocobre’s Shared Value program.

TECHNICAL INFORMATION, COMPETENT PERSONS’ AND QUALIFIED PERSONS STATEMENTS

The Company is not in possession of any new information or data relating to historical estimates that materially impacts on the reliability of the estimates or the Company’s ability to verify the historical estimates as mineral resources, in accordance with the JORC Code. The supporting information provided in the initial market announcement on 21/08/12 continues to apply and has not materially changed. Additional information relating to the Company’s Olaroz Lithium Facility is available on the Company’s website in “Technical Report – Salar de Olaroz Lithium-Potash Project, Argentina” dated May 13, 2011 which was prepared by John Houston, Consulting Hydrogeologist, together with Mike Gunn, Consulting Processing Engineer, in accordance with NI 43-101.

The information in this report that relates to exploration reporting at the Cauchari JV project has been prepared by Mr. Murray Brooker. Mr. Brooker is a geologist and hydrogeologist and is a Member of the Australian Institute of Geoscientists. Mr. Brooker is an employee of Hydrominex Geoscience Pty Ltd and is independent of Orocobre. Mr. Brooker has sufficient relevant experience to qualify as a competent person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. He is also a “Qualified Person” as defined in NI 43-101. Mr. Brooker consents to the inclusion in this announcement of this information in the form and context in which it appears.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Forward-looking information may include, but is not limited to, the successful ramp-up of the Olaroz Project, and the timing thereof; the design production rate for lithium carbonate at the Olaroz Project; the expected brine grade at the Olaroz Project; the Olaroz Project's future financial and operating performance, including production, rates of return, operating costs, capital costs and cash flows; the comparison of such expected costs to expected global operating costs; the ongoing working relationship between Orocobre and the Provinces of Jujuy and Salta in Argentina; the on-going working relationship between Orocobre and the Olaroz Project's financiers, being Mizuho Bank and JOGMEC and the satisfaction of lending covenants; the future financial and operating performance of the Company, its affiliates and related bodies corporate, including Borax Argentina S.A. (Borax Argentina); the estimation and realisation of mineral resources at the Company's projects; the viability, recoverability and processing of such resources; timing of future exploration of the Company's projects; timing and receipt of approvals, consents and permits under applicable legislation; trends in Argentina relating to the role of government in the economy (and particularly its role and participation in mining projects); adequacy of financial resources, forecasts relating to the lithium, boron and potash markets; potential operating synergies between the Cauchari Project and the Olaroz Project; the potential processing of brines from the Cauchari Project and the incremental capital cost of such processing, expansion, growth and optimisation of Borax Argentina's operations; the integration of Borax Argentina's operations with those of Orocobre and any synergies relating thereto and other matters related to the development of the Company's projects and the timing of the foregoing matters.

Forward-looking statements are based on current expectations and beliefs and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performances and achievements to differ materially from any expected future results, performances or achievements expressed or implied by such forward-looking statements, including but not limited to, the risk of further changes in government regulations, policies or legislation; that further funding may be required, but unavailable, for the ongoing development of the Company's projects; fluctuations or decreases in commodity prices; uncertainty in the estimation, economic viability, recoverability and processing of mineral resources; risks associated with development of the Olaroz Project; unexpected capital or operating cost increases; uncertainty of meeting anticipated program milestones at the Olaroz Project or the Company's other projects; exceptional or prolonged adverse weather conditions; risks associated with investment in publicly listed companies, such as the Company; risks associated with general economic conditions; the risk that the historical estimates for Borax Argentina's properties that were prepared by Rio Tinto, Borax Argentina and/or their respective consultants (including the size and grade of the resources) are incorrect in any material respect; the inability to efficiently integrate the operations of Borax Argentina with those of Orocobre; as well as those factors disclosed in the Company's Annual Report for the financial year ended 30 June 2019 and Sustainability Report 2018 available on the ASX website and at www.sedar.com.

The Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable. Assumptions have been made regarding, among other things: the timely receipt of required approvals and completion of agreements on reasonable terms and conditions; the ability of the Company to obtain financing as and when required and on reasonable terms and conditions; the prices of lithium, potash and borates; market demand for products and the ability of the Company to operate in a safe, efficient and effective manner. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.