OROCOBRE

ASX/TSX ANNOUNCEMENT

Quarterly Report of Operations for the Period Ended 30 September 2020

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

SEPTEMBER QUARTER 2020 KEY HIGHLIGHTS[1]

The Olaroz Lithium Facility (Olaroz) continued to operate under the established Bio-Security Protocol with limits on the number of personnel on site for both operations and expansion works. Cash cost of sales was successfully maintained near recent lows at US$3,974/tonne. Market conditions and product pricing continued to be challenging with significantly higher sales volume of 3,393 tonnes at a price of US$3,102/tonne following the discounting of excess inventory in July. Work continues at the Naraha Lithium Hydroxide Plant (Naraha) although some delays are expected.

OLAROZ LITHIUM FACILITY (ORE 66.5%)[2]

- Operational activities continue to focus on the health and well-being of our staff, contractors and communities while maintaining production at an appropriate level to meet customer demand
- Production for the quarter of 2,352 tonnes was down 6% on the quarter on quarter (**QoQ**) due to a three week scheduled shutdown. Plant stability and operating practices continue to improve as evidenced by brine grades that are higher than at the same period in previous years and higher recoveries
- Sales volume for the quarter was up 112% quarter on quarter to 3,393 tonnes, while sales revenue was up 68% QoQ to US$10.5 million following the sale of excess inventory. The realised average price achieved was US$3,102/tonne on a free on board basis (**FOB**)[3]. Sales volumes were approximately 22% battery grade lithium carbonate and the remainder primary grade lithium carbonate
- Cash costs for the quarter (on a cost of goods sold basis)[4] were US$3,974/tonne, excluding the export tax of US$70/tonne but including all additional costs incurred as a result of COVID-19 restrictions and operating practices
- During the quarter Orocobre entered into a non-binding MOU with Prime Planet Energy and Solutions (PPES), a joint venture between Toyota (51%) and Panasonic (49%) specialising in the production of automotive battery cells, for the long-term supply of product culminating in 30kt of lithium carbonate equivalent (**LCE**) in CY25. Discussions are now underway to finalise the detailed terms of the agreement
- Lithium prices appear to have bottomed and realised Q2 FY21 prices are expected to be higher than Q1

LITHIUM GROWTH PROJECTS

- Construction work on Stage 2 continued to be impacted during the quarter by COVID-19 restrictions. Construction has progressed to approximately 44% completion. Plans are in place to increase the accommodation available for expansion personnel so that appropriate social distancing can be maintained as the workforce increases. Stage 2 is expected to commence production in FY23, ramping up to full capacity of 25,000 tonnes per annum (**ktpa**) of industrial grade lithium carbonate by FY26
- Naraha Lithium Hydroxide Plant construction has continued throughout the period. However, delayed equipment deliveries from overseas will result in commissioning commencing in H2 CY21. Construction has achieved >80% completion

BORAX ARGENTINA

- Overall sales volume for the September quarter was 8,964 tonnes, down 27% QoQ and down 28% on the previous corresponding period (**PCP**)
- Sales revenue was down 12% QoQ due to decreased volume, however the average price received was up 21% QoQ with improved sales mix

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 and sales commission. 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, corporate costs and US$1.3 million of costs incurred due to a scheduled shutdown that will be amortised over the financial year

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CORPORATE

- During the quarter Orocobre announced a Placement and Share Purchase Plan (**SPP**) which raised total funds of A$169 million. Funds raised will be used to support Olaroz Stage 1 ramp up and Stage 2 development through a range of operating and pricing environments, as well as capital for future growth initiatives
- As at 30 September 2020, Orocobre corporate had available cash of ~US$225.3 million of which US$11.1 million and US$48.8 million have been set aside as pre-completion guarantees for the Naraha debt facility and Olaroz Expansion debt facility respectively. On October 2, the corporate cash balance increased to US$255.6 million following the completion of the Share Purchase Plan
- Including SDJ, Borax and Naraha cash and project debt, net group cash at 30 September 2020 was US$102.6 million, up from US$44.6 million at 30 June 2020

OLAROZ LITHIUM FACILITY

Click here for more information on Olaroz

COVID-19

Subsequent to the end of the quarter and as announced to the ASX on 26 October, COVID-19 infection has been identified for the first time at our operations with recently returned employees. In accordance with the Bio-Security Protocol, isolation procedures and contract tracing were initiated. Affected staff have been relocated to Jujuy for medical treatment as required but remain in good health. Operations were temporarily suspended for cleaning and rotation of staff, however production has now recommenced.

Daily monitoring of workforce health continues throughout 14-21 day rosters that apply to all personnel and include those employees who would normally reside in local communities.

SAFETY

Safety (and health) remains the number one priority for the Company. No Lost Time Injuries (**LTI**) were recorded at Olaroz during the quarter. As at 30 September the operations recorded 251 days without a LTI.

The Company has continued to focus this quarter on the implementation of the SICOP contractor management system. SICOP serves as a centralised control system which provides real-time visibility of contractor certifications, compliance and performance in accordance with established standards and regulations. The safety team is also developing a Contractor Safety Management standard to pre-qualify contractors and evaluate their performance with a strong focus on procedure compliance and safety practices.

The Dupont programs continue to enhance our safety culture and remain a key priority even during the current COVID-19 situation. In parallel, the Intelex Safety Management database went through a detailed scope revision and was re-defined according to corporate objectives. The assessment is already concluded, and the implementation is in process (Current stage: translation and training to key users).

Lagging and key leading indicators have been identified and defined to measure and improve safety and environmental performance. Annual site objectives have been defined and a control dashboard implemented.

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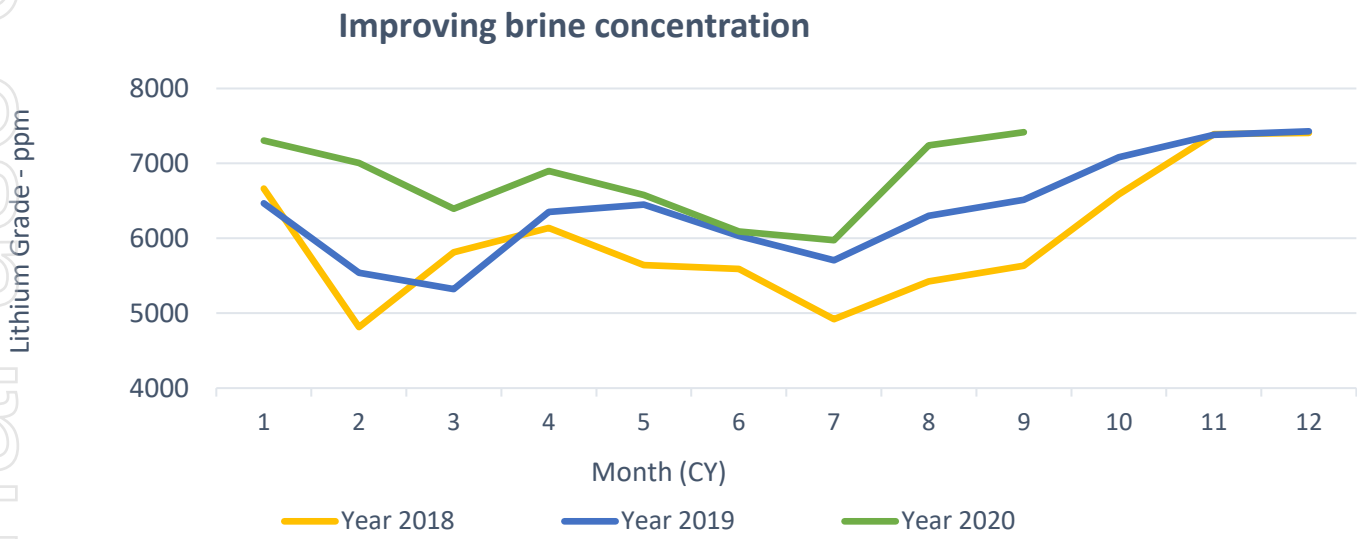
OPERATIONAL UPDATE

QUALITY

Despite current COVID19 restrictions, plant stability and reliability remain very good with process capability (CpK) showing on-going improvement.

Brine feed concentration to the plant also demonstrates ongoing improvement year on year with CY20 concentrations remaining close to the desired range of 7000-7500ppm for much of the year despite the usual seasonal variations which occur especially during winter months.

Improved operating discipline has seen magnetic particles in final purified products reduce by around 93% ensuring that product specifications remain well within requirements for battery grade material.



Despite limited operational staff due to COVID-19 restrictions, the team continues to implement the Toyota Production System and to take advantage of opportunities for improvement with the Kaizen process. Scheduled maintenance to the carbonate plant was undertaken during July and was completed below budget. This work was completed by internal staff and resources to minimise costs.

PRODUCTION

Production for the September quarter was 2,352 tonnes down from 2,511 tonnes in the PCP due to COVID-19 related operational restrictions, scheduled maintenance and the scaling of production. Brine concentration remains at higher levels than in recent years allowing for high daily production rates, higher plant recovery and maintenance of lower costs, even when COVID-19 related costs are included.

SALES AND COMMERCIAL

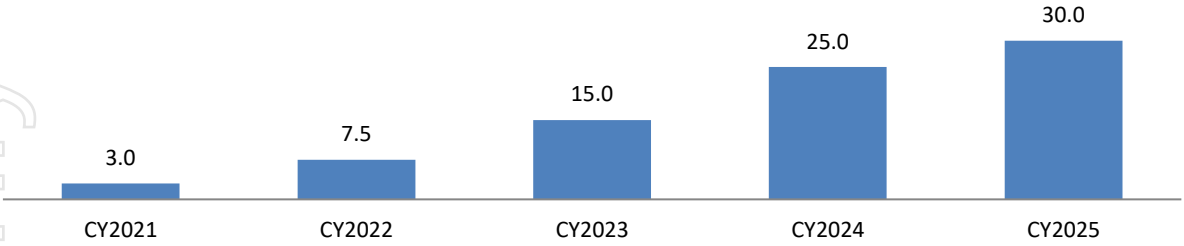
Product sales were 3,393 tonnes of lithium carbonate. The average price received was US$3,102/tonne on an FOB basis and total sales revenue was US$10.5 million. The average price received during the quarter was down 21% QoQ due to a strategic marketing decision to reduce excess inventory during July, significant market softness related to COVID-19 and continued aggressive competitor pricing. Lithium pricing appears to have reached a bottom and realised Q2 FY21 prices are expected to be higher than Q1 FY21.

PPES MOU

During the quarter Orocobre entered into a non-binding MOU with PPES, a joint venture between Toyota (51%) and Panasonic (49%) specialising in the production of automotive battery cells, for the long-term supply of product culminating in 30kt of LCE in CY25. Discussions are now underway to finalise the detailed terms of the agreement.

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Agreed MOU volumes from Olaroz and Naraha to PPES (kt LCE)



If a binding agreement is executed on the anticipated terms, it would minimise Orocobre's exposure to spot prices, significantly improve the customer mix and would result in Olaroz Stages 1 and 2, along with Naraha volumes, being fully contracted, once added to contracts that already exist with other cathode manufacturers.

The MOU anticipates that certain price indicators will form the basis of arms-length pricing formulas.

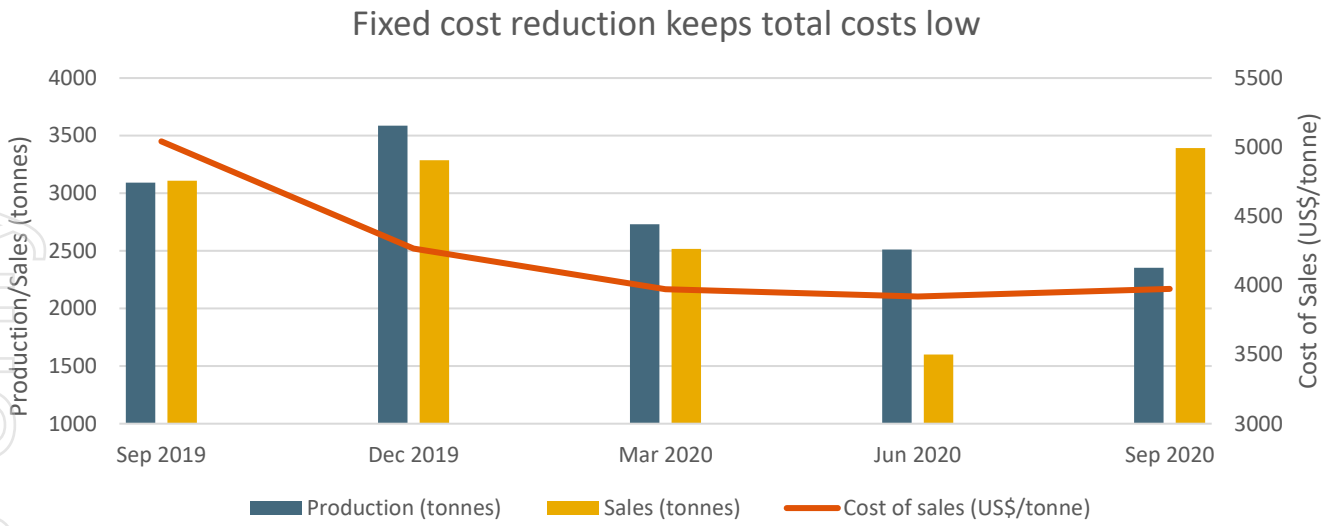
COSTS/MARGINS

Cash cost of goods sold for the quarter (including COVID-19 costs) remained near recent lows at US$3,974/tonne and down 21% on PCP. This excludes export duties for the quarter of US$70/tonne. Gross cash margins for the quarter were negative at US$872/tonne, this is expected to improve with better pricing in Q2 FY21.

Metric	Sept. quarter 2020	June quarter 2020	Change QoQ (%)	PCP (Sept qtr 2019)	Change PCP (%)
Production (tonnes)	2352	2511	-6%	3,093	-24%
Sales (tonnes)	3393	1601	112%	3,108	9%
Average price received (US$/tonne) [3]	3102	3913	-21%	7,027	-56%
Cost of sales (US$/tonne) [4]	3974	3920	1.4%	5,042	-21%
Revenue (US$M)	11	6	68%	22	-52%
Gross cash margin (US$/tonne)	-872	-7	12357%	1,985	-144%
Gross cash margin (%)	-28%	0%	15614%	28%	-200%
Export tax (US$/tonne)	70	151	-54%	420	-83%

Total cost of sales has remained at recent lows despite reduced production volumes demonstrating the significant focus and reduction of fixed costs within the operating business.

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STAGE 2 EXPANSION AT OLAROZ

PROGRESS TO DATE

Work during the September quarter has continued with a reduced workforce adhering to COVID-19 restrictions. As at 6 October, 2020 construction work has achieved 43.8% of completion. Key areas of development are brine extraction wells and gathering systems, lime plant, collection ponds and soda ash handling facilities. Capital expenditure to the end of the quarter is approximately US$159 million excluding VAT and working capital.

Much of the steel structure for the carbonation plant has now arrived at port and is being transported to site.

Expansion of the construction camp has been contracted which will allow an increase in the workforce over the next 5 months to approximately 500 employees and then 900 by September next year. Original plans for expansion workforce accommodation envisaged two or more people per room, however with social distancing requirements limiting accommodation to one person per room, additional rooms have to be installed. Work will continue to be restricted until the additional accommodation becomes available.

Stage 2 is expected to commence production in FY23, ramping up to full capacity of 25ktpa of industrial grade lithium carbonate by FY26.



Pond construction activity

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NARAHA LITHIUM HYDROXIDE PLANT

PROGRESS TO DATE

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.

Since construction commenced at the Naraha Plant there have been no LTIs recorded.

As at 30 September, approximately US$50 million has been spent on engineering, civil works, electrical, instrumentation, fabrication and procurement at the Naraha Plant. Site operations have continued throughout the period with construction now >80% complete, however equipment deliveries from overseas are expected to be delayed with commissioning in H2 CY21.



Aerial view of the Naraha Lithium Hydroxide Plant construction site

SHARED VALUE PROGRAM AND COMMUNITY

With ongoing COVID-19 restrictions, the Shared Value team continues to adapt their interaction and communication with communities that are directly, and indirectly, affected by the Company's operations.

Priorities during the quarter included:

- Monthly Team Meetings: with some organisational changes in the area, the Shared Value team worked on aligning regular activities, strengthening internal communication and process optimisation. Team members are working to design and prepare programs for when the lockdown is lifted while they are working on activities that can be performed remotely
- Accurate and Timely Communication: The Quarter has been characterised by COVID-19 positive cases in our communities. The team acted promptly sharing the information received by the crisis committee in a proactive manner to strengthen the community-Company relationship and reduce adverse consequences to a minimum
- Community Infrastructure Program. Community Investment: During the first half of September communities continued under strict lockdown. At the beginning of October health authorities are evaluating gradually authorising increased movement of people with a move from mandatory lockdown to social distancing which is likely to allow us to expand our programs

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- Support to Local Suppliers: In the Framework of the health crisis created by the COVID-19 virus, we continue supporting local suppliers belonging to the communities in Orocobre's area of influence. Aiming to minimise any negative financial impact, the Shared Value team is providing comprehensive support through an active listening process, taking into consideration their needs, perceptions, questions and expectations related to working with the Company
- Donation and Volunteering: Both activities are coordinated to ensure the effective use of the Company's resources in response to COVID-19 impacts through donations to local communities and the government
- A mobile X-ray machine was donated to the Nuestra Sra. de Belén Hospital in Susques. Health and sanitation articles are delivered directly to Head Coordinators in the communities as part of direct help programs
- In September both the "El Toro Community Hall Work" and the "Susques Community Hall Work" resumed and have now achieved 95% completion. Both will be finished in November

MARKET

Early signs of improved market conditions emerged late in the quarter as several supportive demand catalysts began to build. Europe recorded year-on-year EV sales growth of approximately 170% during the September quarter (source: EV-Volumes) recovering strongly after COVID-19 related interruptions.

Optimism towards the lithium market has been bolstered by the European EV sales, underpinned by supportive policy and subsidisation. Since 2018 the Chinese market has been in a state of malaise following ongoing reductions in the value of EV subsidisation. However, several positive factors appeared during the quarter to help improve sentiment in the Chinese market.

After 12 consecutive months of year-on-year (YoY) declines in NEV sales, China reversed its downward trajectory recording growth during July, August and September of +23%, +28%, +73% yoy respectively (source: CAAM). Most notably, September NEV sales of approximately 138,000 were the highest on record. Ebus sales also began to improve achieving YoY sales growth of ~79% in September. The quarter started positively as China's Ministry of Industry and Information Technology (MIIT) announced a plan to promote NEV sales in rural areas requiring all related local governments to cooperate.

Historically NEV sales have been concentrated in metropolitan areas where the comparatively lower driving range of most Chinese models is not as prohibitive. However, the Chinese government's focus on building EV infrastructure and improving battery performance standards allowing for greater presence of international EV makers continues to make rural markets increasingly feasible for EV use. In addition to this measure, the MIIT announced in early October a target of 80% electrification of public commercial vehicles such as buses and taxis.

Improved Chinese demand comes at a time when seasonality plays a big part in domestic supply. Historically, domestic production contracts ~30-40% from peak levels tapering from October through to the end of Chinese New Year, as very low temperatures in the regions where Chinese brine is produced hinders both operations and logistics. Chinese brine supply is typically fed into the carbonate market rather than hydroxide. In addition, growing usage of LFP cathode in the Chinese EV and energy storage market has lifted demand.

Collectively these supply and demand factors and lower inventory levels among domestic producers have led to marginal improvements in the Chinese carbonate spot price in recent weeks. It is too early to predict whether such positive momentum can be maintained as aggressive pricing from South American producers is likely to continue with market share and volume objectives expected to drive sales behaviour as 2020 comes to a close.

Continued improvements in market sentiment and continued destocking from record levels in mid-2020 will require sustained momentum from European and Chinese EV markets, alongside supply discipline from marginal converters and their Chinese or Australian feedstock suppliers.

Following the easing of COVID-19 restrictions, Germany and France's EV sales grew 100% and 50% respectively year-on-year in May demonstrating the immediate impact of new subsidies on consumer EV appetite. During the quarter there were further announcements of battery and EV manufacturing partnerships, and even retooling of production facilities from ICE production to EVs.

On a global basis the lithium market has suffered a setback due to COVID-19, however the medium to long term outlook remains positive and continues to be further reinforced with increasing government regulation and funding.

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BORAX ARGENTINA S.A.

SAFETY

Two Lost Time Injuries were recorded at Borax during the quarter. One in July at Tincalayu (slip and fall with laceration to the head) and the second one in August at Campo Quijano (exposed fracture of the thumb and deep cut in elbow). Sijes has now achieved 91 days without an LTI.

No environmental incidents occurred at Borax operations in the quarter.

After the last LTI in Borax, senior management decided to stop the operations at Campo Quijano and undertake a comprehensive self-assessment regarding site safety conditions in the entire company. The focus of the assessment was:

- Hazard analysis and standard operating procedures
- Unsafe field conditions and housekeeping
- Leadership involvement and accountability.

PRODUCTION, SALES AND OPERATIONAL UPDATE

The September quarter saw sales of 8,964 tonnes which was down 27% QoQ and approximately 28% down from the previous corresponding period. Total sales revenue was down 12% QoQ, while the average price received was up 21% QoQ due to improved sales mix.

Operations have continued under the Orocobre Bio-security Protocol and to date no cases of COVID-19 have been recorded at any Borax site.

COMBINED PRODUCT SALES VOLUME BY QUARTER

Previous Year Quarters		Recent Quarters	
December 2018	10,741	December 2019	8,614
March 2019	13,041[5]	March 2020	10,690
June 2019	11,758	June 2020	12,278
September 2019	12,480	September 2020	8,964

[5] Includes 2,312 tonnes of low value mineral product

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CORPORATE AND ADMINISTRATION

FINANCE

CASH BALANCE

As at 30 September 2020, Orocobre corporate had available cash of ~US$225.3 million of which US$11.1 million and US$48.8 million have been set aside as pre-completion guarantees for the Naraha debt facility and Olaroz Expansion debt facility respectively. On October 2, the corporate cash balance increased to US$255.6 million following the completion of the Share Purchase Plan.

Cash at 30 September reconciles to the 30 June balance with inflows of US$89.3 million (net of fees) from the Institutional Placement and US$0.7 million interest income. Outflows of cash were US$16.8 million advanced to SDJ Joint Venture (SDJ) as a shareholder loan to fund the repayment of the Mizuho project finance facility (Stage 1) and paydown of working capital facilities. Corporate spend for the quarter was US$2 million, inclusive of US$0.6 million for advanced payments related to the full financial year, US$0.4 million of transaction costs related to the Advantage Lithium acquisition, US$0.3 million advanced to Borax mainly for restructuring costs and US$0.3 million of other advances.

Including SDJ and Borax cash and project debt, net group cash at 30 September 2020 was US$102.6 million, up from US$44.6 million at 30 June 2020 as calculated below and after including Naraha facilities:

	US$ Millions
ORE Corporate Cash	165.2
ORE Restricted Cash LIOH	11.1
ORE Restricted Cash Expansion	48.8
AAL	0.2
Total ORE Corporate Cash	**225.3**
Net Cash from other Entities	0.4
TLC Naraha cash @ 75%	11.4
SDJ Cash @66.5%	4.3
SDJ Restricted Cash @ 66.5%	11.4
TLC Project Loan @ 75%	(43.3)
SDJ External Debt @ 66.5%	(12.9)
Mizuho Stage 1 66.5%	(50.8)
Mizuho Stage 2 66.5%	(43.2)
Total Proportional Net Group Cash	**102.6**

EQUITY PLACEMENT AND SHARE PURCHASE PLAN

During the quarter Orocobre announced a Placement and Share Purchase Plan which raised total funds of A$169 million. Funds raised will be used to support Olaroz Stage 1 ramp up and Stage 2 development through a range of operating and pricing environments, as well as capital for future growth initiatives.

Placement: Orocobre raised approximately A$126 million / US$91 million[6] from the Placement and issued approximately 50 million new fully paid ordinary shares (**New Shares**), representing 18.1% of Orocobre's existing shares on issue.

The Placement issue price of A$2.52 per share represented a 13.1% discount to Orocobre's closing price of A$2.90 on the ASX on Thursday, 27 August 2020.

Share Purchase Plan: Following completion of the Placement, Orocobre conducted an offer of New Shares under a non-underwritten share purchase plan.

Eligible shareholders in Australia and New Zealand were offered the opportunity to apply for up to A$30,000 of new fully paid ordinary shares free of any brokerage, commission and transaction costs.

[6] Based on USD / AUD exchange rate of 0.735 as at 31 August 2020.

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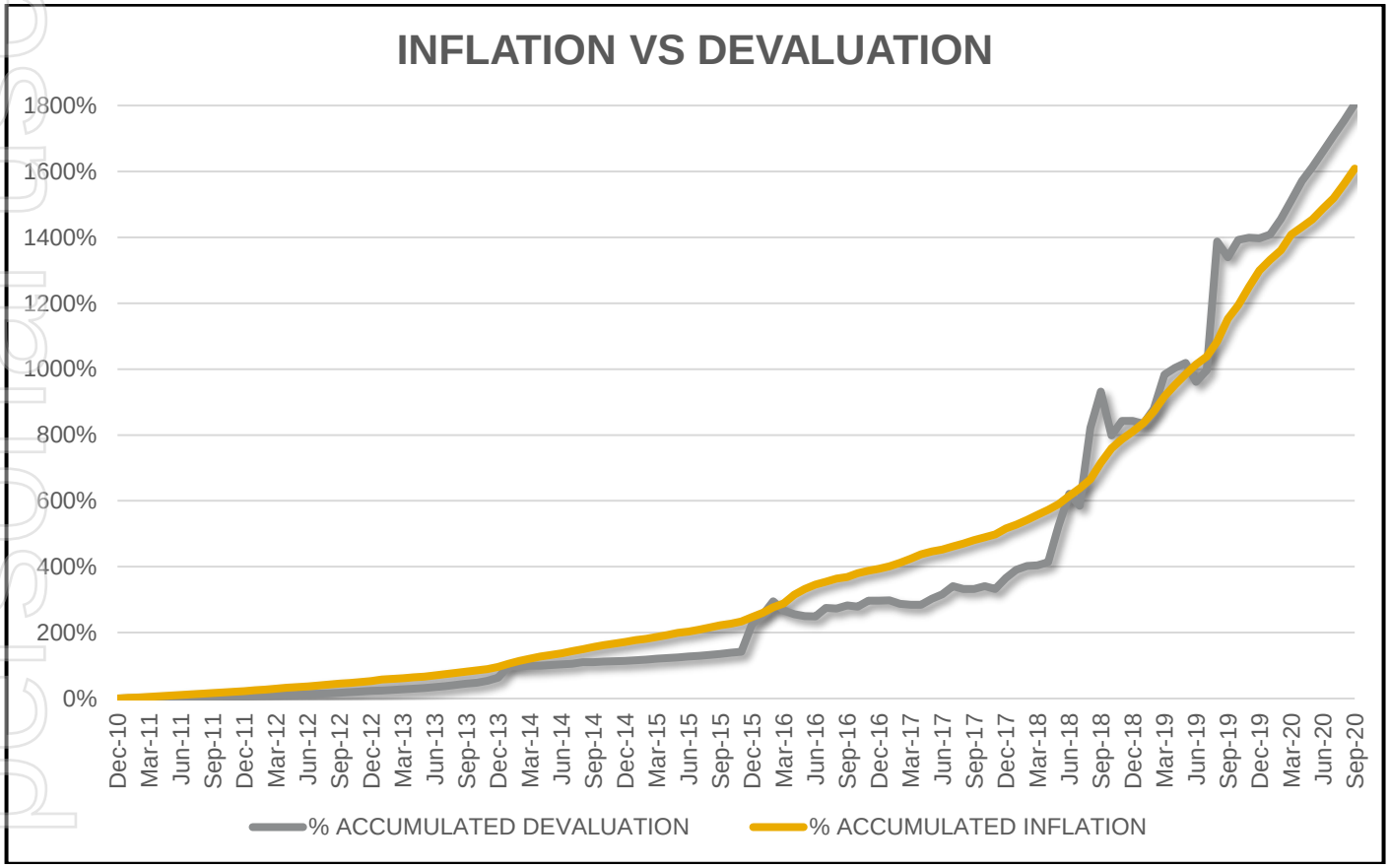
The price paid by eligible shareholders for New Shares under the SPP was the same as the Placement price at A$2.52 per New Share which was the lowest of several pricing mechanisms that were offered.

The SPP was open to 10,742 Eligible Shareholders. The Company received applications from 2,469 Eligible Shareholders representing a participation rate of 23% and an average application amount of approximately A$17,000. No scale back was applied and approximately 17 million New Shares were issued on 1 October 2020.

ARGENTINA ECONOMIC CONDITIONS

Currency: The official foreign exchange rate depreciated by 8% in the September Quarter from AR$70.46 at 30 June 2020, to AR$76.18 at 30 September 2020. The accumulated 12-month period from 1 October 2019 to 30 September 2020 resulted in a 32% devaluation of the AR$ against the US$.

Inflation: September's inflation was 2.8% and accumulated 7.6% in the quarter. The accumulated 12-month period from 1 October 2019 to 30 September 2020 resulted in inflation of approximately 37%.



Authorised by:

Rick Anthon
Joint Company Secretary

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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 lithium cut-off concentration, 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 process water 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 process water consumption of <20 l/s for current production which is low by industry standards. This process 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 Chico, Huáncar, Puesto Sey, Pastos Chicos, Susques, Catua, Jama, El Toro, Coranzulí and San Juan de Quillaques, all of which it is expected to receive education, training, development and support through Orocobre’s Shared Value Program.

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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 Mr. Michael Gunn, Consulting Processing Engineer, in accordance with NI 43-101.

The information in this report that relates to exploration reporting at the Cauchari 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 concentration 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 pandemic, 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 2020 and Sustainability Report 2019 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.

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