OROCOBRE

ASX/TSX ANNOUNCEMENT

Quarterly Report of Operations for the Period Ended 30 June 2021

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

JUNE QUARTER 2021 KEY HIGHLIGHTS[1]

Olaroz Lithium Facility (Olaroz) operations continue to deliver improving cashflows with a Gross Cash Margin of $4,371/tonne following further improvement in the sales price of lithium chemicals and a continued focus on costs. Realised average price was US$8,476/tonne up 45% quarter on quarter (QoQ) on a free on board basis (FOB[2]) with prices up 170% over the past nine months. Costs were US$4,105/t[3]. The proportion of battery grade production reached a record level at 66%. Market conditions continue to improve which is reflected in increasing price forecasts by analysts and industry commentators.

OLAROZ LITHIUM FACILITY (ORE 66.5%)[4]

- Activities continue to focus on the health and well-being of our staff, contractors and communities while maintaining production and expansion works with no COVID-19 related stoppages during the period. Approximately 60% of the operational workforce has now had their first dose of a vaccine
- Production of 3,300 tonnes was up 31% on the previous corresponding period (**PCP**) and up 2% QoQ, despite the proportion of battery grade production increasing to 66% from 55% QoQ
- Sales volume of 2,549 tonnes was up 59% on PCP, but down 16% QoQ due to global shipping delays and the requirement to hold additional stock in Japan to guarantee smooth delivery into the Prime Planet Energy and Solutions (**PPES**) contract
- Sales revenue was up 22% QoQ to US$21.6 million with the realised average price achieved up 45% QoQ to US$8,476/tonne FOB[2]. Prices have now increased by nearly 170% over the last nine months
- Cash costs (on a cost of goods sold basis)[3] were up 5% to US$4,105/tonne on PCP excluding the export tax of US$407/tonne with proportional sales of battery grade material nearly doubling over that period
- Gross cash margin was up materially to US$4,371/t, generating a gross margin of 52%
- In the upcoming half, a proportion of sales will be into contracts that were agreed in December 2020 reflecting prices of that time. The average price in the December half will reflect improved market conditions partially offset by lagged pricing and will be approximately US$9,000/tonne FOB[2] subject to shipping and delivery schedules

LITHIUM GROWTH PROJECTS

- During the June quarter work at Olaroz Stage 2 continued with strong adherence to the COVID-19 Bio-Security Protocol. At the end of June, most infrastructure is complete, nearly 80% of ponds are built and soda ash and carbonation plants are 10% and 14% complete respectively. Additional accommodation facilities were completed in the quarter with over 650 personnel on site
- Stage 2 is expected to be complete in H1 CY22 and to commence production the following half. Production will ramp up over two years to full capacity of 25,000 tonnes per annum (**ktpa**) of primary grade lithium carbonate by H2 CY24
- Naraha site operations have continued throughout the period with construction now mostly complete and pre-commissioning works underway. Commissioning will be delayed until Q1 CY22 due to COVID-19 related delays of travel to site by Veolia's international commissioning engineers and technicians
- A scoping study into a further expansion at Olaroz (Stage 3) has commenced. The study will investigate options for additional production of 25-50ktpa from Olaroz, Cauchari or a combination of both, leveraging existing Stage 1 and 2 infrastructure
- Discussions continue with Toyota Tsusho Corporation (**TTC**) regarding an expansion of lithium hydroxide production to meet forecast growth in demand

1 All figures presented in this report are unaudited
2 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
3 Excludes royalties, export tax and corporate costs
4 All figures 100% Olaroz Project basis

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BORAX ARGENTINA

- Overall sales volume for the June quarter was 11,188 tonnes, up 9% QoQ and down 9% on PCP
- Sales revenue was down 5% QoQ due to lower average prices that were down 13% QoQ due to sales mix

CORPORATE

- On 19 April 2021, Orocobre and Galaxy Resources (ASX:GXY, "**Galaxy**") announced that they entered into a binding Merger Implementation Deed (MID) under which the two companies will merge via a Galaxy Scheme of Arrangement (Scheme) pursuant to which Orocobre will acquire 100% of the shares in Galaxy
- Galaxy shareholders will receive 0.569 Orocobre shares for each Galaxy share held at the Scheme record date. Upon implementation of the Scheme, Orocobre shareholders will own 54.3% of the fully diluted share capital of the combined entity and Galaxy shareholders will own the remaining 45.7%
- The Scheme booklet was dispatched to Galaxy shareholders on 7 July 2021 and the Scheme meeting for Galaxy shareholders will be held on 6 August with Scheme implementation expected on 25 August
- At 30 June 2021, Orocobre corporate had available cash of ~US$238.3 million of which US$11.1 million and US$109.5 million have been set aside as pre-completion guarantees for the Naraha debt facility and Olaroz Expansion debt facility respectively
- Including Sales de Jujuy (**SDJ**) and Borax cash and project debt, net group cash at 30 June 2021 was US$68.1 million, down from US$97.7 million at 31 March 2021

OLAROZ LITHIUM FACILITY

Click here for more information on Olaroz

SAFETY AND COVID-19

During the June quarter the team continued preventive actions to manage any impact from ongoing infections across the country with our first and most effective barrier remaining a strong Bio-Security Protocol. Local communities and including our employees are currently being vaccinated in cooperation with the local Susques hospital. Approximately 60% of the workforce (including contractors) have now been vaccinated with their first dose.

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

Additional accommodation facilities have been installed to enable the growing construction workforce to operate within the COVID-19 Bio-Security Protocol.

Improved safety performance was achieved during FY21 with a TRIFR of 2.3 (FY20: 3.0). By 30 June Olaroz Lithium Facility achieved 124 days without an LTI.

OPERATIONAL UPDATE

QUALITY

Product quality remains a key focus of the operational team. Key metrics such as brine concentration, magnetic particles and product consistency continue to show positive results.

PRODUCTION

Production for the June quarter was 3,300 tonnes, up 31% from 2,511 tonnes in the PCP with 66% of production being battery grade lithium carbonate. Brine concentration remains at higher levels than in recent years resulting in high daily production rates, higher plant recovery and continued low costs.

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SALES AND COMMERCIAL

Product sales were 2,549 tonnes of lithium carbonate up 59% on PCP but down 16% QoQ due to global shipping delays and the requirement to hold additional stock in Japan to guarantee smooth delivery into the PPES contract.

Total sales revenue was up 22% QoQ to US$21.6 million and up 245% on PCP which was affected by initial COVID-19 disruptions. The average price received was up 45% QoQ to US$8,476/tonne on an FOB[3] basis and up 117% on PCP with significantly stronger pricing relative to a year ago.

In the upcoming half, a proportion of sales will be into contracts that were agreed in December 2020 reflecting prices of that time. The average price in the December half will reflect improved market conditions partially offset by lagged pricing and will be approximately US$9,000/tonne FOB[2] subject to shipping and delivery schedules.

More than 50% of forecast sales for the September 2021 quarter are expected to be allocated to long term battery grade contracts. The percentage of battery grade product sales is expected to remain above 50% during FY22.

COSTS/MARGINS

Cash cost of goods sold for the quarter (including COVID-19 related costs) increased by only 5% on PCP to US$4,105/tonne[3] despite the proportion of battery grade sales nearly doubling. This excludes export duties for the quarter of US$407/tonne. Costs increased by 6% QoQ with the proportion of battery grade sales increasing from 47% to 57% QoQ.

Total cost of sales has been maintained at low levels demonstrating the significant focus and reduction of fixed cost within the operating business. Lower reagent usage due to improved process efficiency and an increase in the export incentive refund with higher product prices have also contributed to the strong cost performance.

Metric	June quarter 2021	March quarter 2021	Change QoQ (%)	PCP (Jun qtr 2020)	Change PCP (%)
Production (tonnes)	3300	3232	2%	2,511	31%
Sales (tonnes)	2549	3032	-16%	1,601	59%
Average price received (US$/tonne) [2]	8476	5853	45%	3,913	117%
Cost of sales (US$/tonne)[3]	4105	3867	6%	3,920	5%
Revenue (US$M)	22	18	22%	6	245%
Gross cash margin (US$/tonne)	4371	1986	120%	-7	
Gross cash margin (%)	52%	34%	53%	0%	
Export tax (US$/tonne)	407	210	94%	151	169%

Gross cash margins for the quarter returned to being strongly positive at US$4,371/tonne, this is expected to remain positive with supportive pricing in Q1 FY22.

STAGE 2 EXPANSION AT OLAROZ

PROJECT STATUS

During the June quarter work at Olaroz Stage 2 continued with strong adherence to the COVID-19 Bio-Security Protocol. Additional accommodation facilities were completed with more than 650 personnel on site. Most infrastructure is now complete, nearly 80% of ponds are built and the soda ash and carbonation plants are 10% and 14% complete respectively.

Stage 2 is expected to be complete in H1 CY22 and to commence production the following half. Production will ramp up over two years to full capacity of 25ktpa of primary grade lithium carbonate by H2 CY24.

CARBONATION, LIME AND SODA ASH FACILITIES

Carbonate plant soda ash handling facilities construction continued during the quarter with some delays due to COVID-19, bad weather and high winds. Mitigation actions have been identified to minimise any disruption to the schedule. Foundations for the soda ash and carbonation buildings are 91% and 65% complete respectively. All of the steel structure for the carbonation and soda ash plants is on site including cladding, roofing and overhead cranes.

Planning for liming plant #3 is well underway and contracts have been awarded. This additional liming capacity is expected to be available by the end of the year.





Note: New Carbonation Plant and lining of ponds

FUTURE MILESTONES

Work in H2 CY21 will focus on delivery of additional gas fired power generators, completion of ponds and construction of liming plant #3. In the first half of CY22 all new production wells, soda ash facilities and the carbonation plant will be completed.

NARAHA LITHIUM HYDROXIDE PLANT

PROGRESS TO DATE

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

Since construction commenced at the Naraha Plant there have been no LTIs recorded with nearly 250,000 hours worked on the project.

At 30 June, approximately US$56.7 million has been spent on engineering, civil works, electrical, instrumentation, fabrication and procurement at the Naraha Plant. Capex spend has remained relatively static due to the agreed payment schedule with Veolia, the EPC contractor.

Site operations have continued throughout the period with construction now mostly complete and pre-commissioning works underway. Commissioning will be delayed until Q1 CY22 due to COVID-19 related delays of travel to site by Veolia's international commissioning engineers and technicians.

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SHARED VALUE PROGRAM AND COMMUNITY

The Shared Value team built on their knowledge of local communities and sustainability with a combination of remote work and a number of visits to communities that are directly and indirectly influenced by the company's operations. Key actions during the quarter included:

Community Relations

- Management of work rosters within COVID-19 limitations: Communication with Community Coordinators, local government contacts and local suppliers to manage and confirm the date and location of PCR sample collection (COVID-19 tests) and the transfer schedules for rostered employees
- The Shared Value team accompanied provincial officials in the re-commissioning of the Autonomous Photovoltaic Power Plant in Olaroz Chico, which supplies solar electricity to the town. The system capacity has tripled from 50 Kw to 150 Kw. The Shared Value team also participated in the inauguration ceremony of a modular community health centre. The hospital unit has an inpatient ward, pharmacy, laboratory, cardiology area and consulting rooms
- During the month of June, on-site monitoring and follow-up of activities were carried out with local suppliers of laundry services with the aim of strengthening links and encouraging open dialogue
- Construction of Liming Plant N° 3 has been awarded to a local joint venture. It has also been determined that external civil works and HDPE pipe laying will be quoted only with suppliers from the local community

Community development programs

Program to Support Food Independence: Family Food Production Units UPAF
During the quarter, the communities continued harvesting vegetables for the spring-summer season with very good yields; information on production and temperature data continues being collected. The families began preparing the land for sowing of autumn-winter vegetables. The community of Olaroz Chico has completed the construction of their greenhouses and will start planting seedlings. In Coranzulí, the work of the families extended to school greenhouses managing cultural work and planting. The programme was expanded to the production of laying hens to provide animal protein for the families' diets.

Community Investment Programme
The work planned for this period with the Coranzuli Community Hall is 80% complete with an investment of US$25,000. The community values the delivery of the commitment considering the COVID19 context made it difficult to manage the implementation of this initiative.

MARKET

Demand

Demand for lithium chemicals remained strong across all key geographies and customer segments (industrial applications and battery materials) in response to improved business confidence levels.

Customers' concerns for securing supply also intensified during the June quarter as evidenced by enquires for delivery of volumes in 2021 being higher than originally requested. Existing and prospective customers have also engaged earlier than usual to secure product volumes for future years.

Lithium chemical prices continued to grow during the quarter with strong demand from the Electric Vehicle ("EV") sector where sales in the period January to May reached two million vehicles (compared to 750k in 2020 and 850k in 2019 over the same months).

Whilst lithium carbonate prices stabilised in China, global weighted average prices reported by Benchmark Minerals increased by 15.6% during the quarter from US$10,752/tonne in March to US$12,432/tonne in June as prices ex- China continued rising and narrowing the gap with China. Lithium Hydroxide prices once again established a premium over carbonate prices during the June quarter with weighted average prices of US$13,873/tonne as reported by Benchmark Minerals.

The commitment from Government, OEMs, and the Energy Sector to accelerate the development of the lithium battery supply chain grew firmly during the June quarter. Planned global capacity of Gigafactory's increased by ~ 460 GWh (12%) to approximately 4,200 GWh by 2030 based on committed investments announced during the June quarter. Such indicators continue to put pressure on development of lithium chemical supply and widen the estimated supply deficit.

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Supply

Estimated lithium chemical production and conversion in China increased to ~20,500 tonnes of lithium carbonate per month during the June quarter from ~14,500 tonnes per month during the preceding nine months. Lithium hydroxide capacity over the same periods increased to ~14,500 tonnes per month from ~12,300 tonnes per month. The overall increase in production of lithium chemicals was in response to the accelerated demand from the EV sector and was partially achieved with incremental supply from Chinese brines during the spring period which assisted in stabilising lithium carbonate domestic prices. Australian spodumene producers also lifted utilisation rates and exports to China benefitting from a significant increase in prices during the period.

New partnerships were established between lithium chemical producers and lithium mineral explorers with the purpose of developing additional supply of lithium chemicals in response to growing demand. Supply forecasts of lithium chemicals have been revised up during the quarter considering recent announcements, however, it continues to fall short of meeting the revised estimates of demand.

BORAX ARGENTINA S.A.

SAFETY

Following a major focus on safety, TRIFR for FY21 has improved to 2.6 from 8.8 in FY20.

Since the safety review last year there have not been any LTI or Environmental incidents at the three operational Borax sites. As at 30 June, Sijes celebrated one year without recordable incidents, Tincalayu achieved 350 days and Campo Quijano has had 309 days without an LTI.

Good progress has been achieved with recycling waste where a new agreement with an external company was signed to utilise some of this material. The first shipment occurred in May with 23 tons of scrap metal and one tonne of batteries. A further shipment occurred in June with five tonnes of plastic material.

The COVID-19 Bio-Security Protocol remains in place at Borax and approximately 40% of employees are now vaccinated with at least one dose.

Intelex is currently being implemented in Borax which will improve reporting, investigation and tracking of corrective actions related to adverse events. The Management team has been trained in leading indicators and KPI objectives were set for FY22. Some of the Dupont initiatives implemented in SDJ are being considered for implementation at Borax.

PRODUCTION, SALES AND OPERATIONAL UPDATE

June quarter sales were 11,188 tonnes, up 9% QoQ and down approximately 9% from the PCP. Total sales revenue was down 5% QoQ with the average price received down 13% QoQ due to lower sales of chemicals and higher sales of lower priced mineral products. Operations have continued under the Orocobre Bio-Security Protocol.

COMBINED PRODUCT SALES VOLUME BY QUARTER

Previous Year Quarters		Recent Quarters	
September 2019	12,480	September 2020	8,964
December 2019	8,614	December 2020	10,573
March 2020	10,690	March 2021	10,282
June 2020	12,278	June 2021	11,188

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CORPORATE AND ADMINISTRATION

MERGER WITH GALAXY RESOURCES

On 19 April 2021, Orocobre and Galaxy Resources (ASX:GXY, "**Galaxy**") announced that they entered into a binding Merger Implementation Deed (**MID**) under which the two companies will merge via a Galaxy Scheme of Arrangement (**Scheme**) pursuant to which Orocobre will acquire 100% of the shares in Galaxy.

Galaxy shareholders will receive 0.569 Orocobre shares for each Galaxy share held at the Scheme record date. Upon implementation of the Scheme, Orocobre shareholders will own 54.3% of the fully diluted share capital of the combined entity and Galaxy shareholders will own the remaining 45.7%.

The Scheme is unanimously recommended by the Board of Galaxy and each Galaxy Director intends to vote all the shares that they hold in Galaxy in favour of the Scheme (in both cases, subject to no superior proposal emerging and the Independent Expert continuing to conclude that the Scheme is "fair and reasonable" and in the best interests of Galaxy shareholders).

The Scheme is endorsed and supported by the Board of Orocobre, subject to no proposal for Orocobre emerging.

As part of the proposed Scheme, Martin Rowley will become Non-Executive Chairman, Robert Hubbard will become Deputy Chairman, and Martín Pérez de Solay will remain CEO and Managing Director of the merged group, with a highly experienced and complementary Board and management team drawn from the combined group.

The First Hearing in the Supreme Court of Western Australia was conducted on 2 July 2021 and the Court made orders to convene a meeting of Galaxy shareholders to consider and vote on the Scheme and to dispatch an explanatory statement along with the Scheme booklet.

Subsequently, the Scheme booklet was dispatched to Galaxy shareholders on 7 July 2021 and the Scheme meeting for Galaxy shareholders will be held on 6 August.

Scheme Timetable

The key dates expected for the Scheme are set out below.[5]

Latest time and date for lodgement of completed Proxy Form for the Scheme Meeting (including Proxy Forms lodged online)	Wednesday, 4 August 2021 at 10.00 am
Time and date for determining eligibility to vote at the Scheme Meeting	Wednesday, 4 August 2021 at 5.00 pm
Scheme Meeting	Friday, 6 August 2021 at 10.00 am
Second Court Date	Friday, 13 August 2021
Effective Date	Monday, 16 August 2021
New Orocobre Shares commence trading on ASX on a deferred settlement basis	Tuesday, 17 August 2021
Scheme Record Date	Wednesday, 18 August 2021 at 5.00 pm
Implementation Date	Wednesday, 25 August 2021
New Orocobre Shares commence trading on ASX on a normal settlement basis	Thursday, 26 August 2021

[5] All times and dates in the above timetable are references to the time and date in Perth, Western Australia (AWST). All dates following the date of the Scheme Meeting are indicative only and, among other things, are subject to all necessary approvals from the Supreme Court of Western Australia and each other condition precedent to the Scheme being satisfied or waived. Galaxy reserves the right to vary the times and dates set out above. Any changes to the above timetable will be announced on ASX and notified on Galaxy's website at www.gxy.com.

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FINANCE

CASH BALANCE

At 30 June 2021, Orocobre corporate had available cash of ~US$238.3 million of which US$11.1 million and US$109.5 million have been set aside as pre-completion guarantees for the Naraha debt facility and Olaroz Expansion debt facility respectively.

The US$3.3 million corporate net cash reduction from the previous quarter was the result of US$0.7 million advanced to SDJ Joint Venture as a shareholder loan to largely fund finance payments, US$2.5 million corporate costs and US$0.2 million other project payments partially offset by US$ 0.1 million of net interest income and forex.

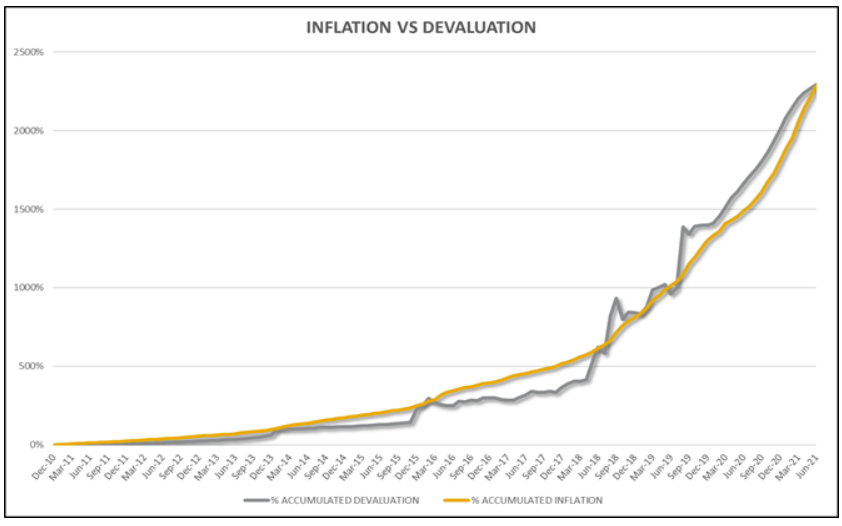
Including SDJ and Borax cash and project debt, net group cash at 30 June 2021 was US$68.1 million, down from US$97.7 million at 31 March 2021 due to drawdown of project finance for the Olaroz Stage 2 expansion and Naraha project payments. Net group cash is calculated below:

	US$ Millions
ORE Corporate Cash	117.5
ORE Restricted Cash LIOH	11.1
ORE Restricted Cash Expansion	109.5
AAL	0.2
Total ORE Corporate Cash	**238.3**
Net Cash from other Entities	1.1
TLC Naraha cash @ 75%	0.2
SDJ Cash @66.5%	12.6
SDJ Restricted Cash @ 66.5%	10.9
TLC Project Loan @ 75%	(42.9)
SDJ External Debt @ 66.5%	(10.5)
Mizuho Stage 1 66.5%	(44.5)
Mizuho Stage 2 66.5%	(97.1)
Total Proportional Net Group Cash	**68.1**

ARGENTINA ECONOMIC CONDITIONS

Currency: The official foreign exchange rate depreciated by 4% in the June quarter from AR$92 at 31 March 2021, to AR$95.72 at 30 June 2021. The accumulated 12-month period from 1 July 2020 to 30 Jun 2021 resulted in a ~36% devaluation of the AR$ against the US$.

Inflation: June inflation was 3.2% and accumulated ~11% in the quarter. The accumulated 12-month period from 1 July 2020 to 30 Jun 2021 resulted in inflation of approximately ~50%.



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Authorised by:

Rick Anthon
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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 a production target of 42.5 ktpa 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 2020 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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