



Orocobre – The Next Low Cost Lithium Producer

Investor Presentation
July 2011

OROC



Cautionary Notes

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The presentation contains "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information may include, but is not limited to, information with respect to the future financial and operating performance of the Company, its affiliates and subsidiaries, the estimation of mineral reserves and mineral resources, realization of mineral reserves and resource estimates, costs and timing of development of the Company's projects, costs and timing of future exploration, timing and receipt of approvals, consents and permits under applicable legislation, results of future exploration and drilling and adequacy of financial resources. Forward-looking information is often characterized by words such as "plan", "expect", "budget", "target", "project", "intend", "believe", "anticipate", "estimate" and other similar words or statements that certain events or conditions "may" or "will" occur.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from those expressed or implied by such forward-looking information, including risks associated with investments in publicly listed companies, such as the Company; risks associated with general economic conditions; the risk that further funding may be required, but unavailable, for the ongoing development of the Company's projects; changes in government regulations, policies or legislation; unforeseen expenses; fluctuations in commodity prices; fluctuation in the exchange rate of the Argentine peso, the Australian dollar, the Canadian dollar or the United States dollar; litigation risk; restrictions on the repatriation of earnings by the Company's subsidiaries; conflicts of interest of certain directors of the Company; inability to effect service of

Cautionary Notes (Cont'd)

process or to enforce judgments within Canada upon and against the directors and officers of the Company; the inherent risks and dangers of mining exploration and operations in general; risk of continued negative operating cash flow; the possibility that required permits may not be obtained; environmental risks; uncertainty in the estimation of mineral resources and mineral reserves; risks that the current inferred resource at the Company's Olaroz project will not be converted to a sufficient amount of indicated or measured resources to warrant development; general risks associated with the feasibility and development of each of the Company's projects; the risk that a definitive joint venture agreement with Toyota Tsusho Corporation may not be completed; risks that the new process being developed by the Company will take longer to develop than anticipated or that it will not be successfully developed; risks of being unable to sell production in the event of the development of a project; foreign investment risks in Argentina; changes in Argentinean laws or regulations; future actions by the Argentinean government; breach of any of the contracts through which the Company holds property rights; defects in or challenges to the Company's property interests; uninsured hazards; disruptions to the Company's supplies or service providers; reliance on key personnel; retention of key employees; absence of dividends; competition; absence of unitization or reservoir management rules; and the Company's dependence on an open border between Argentina and Chile. See the section titled "*Risk Factors*" in the Company's prospectus dated June 9, 2010, which is available for review under the Company's profile at www.sedar.com.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management of the Company made in light of their experience and their perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. 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 Company's ability to carry on its exploration and development activities, the timely receipt of required approvals, the prices of lithium and potash, the ability of the Company to operate in a safe, efficient and effective manner and the ability of the Company to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such 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.

Overview

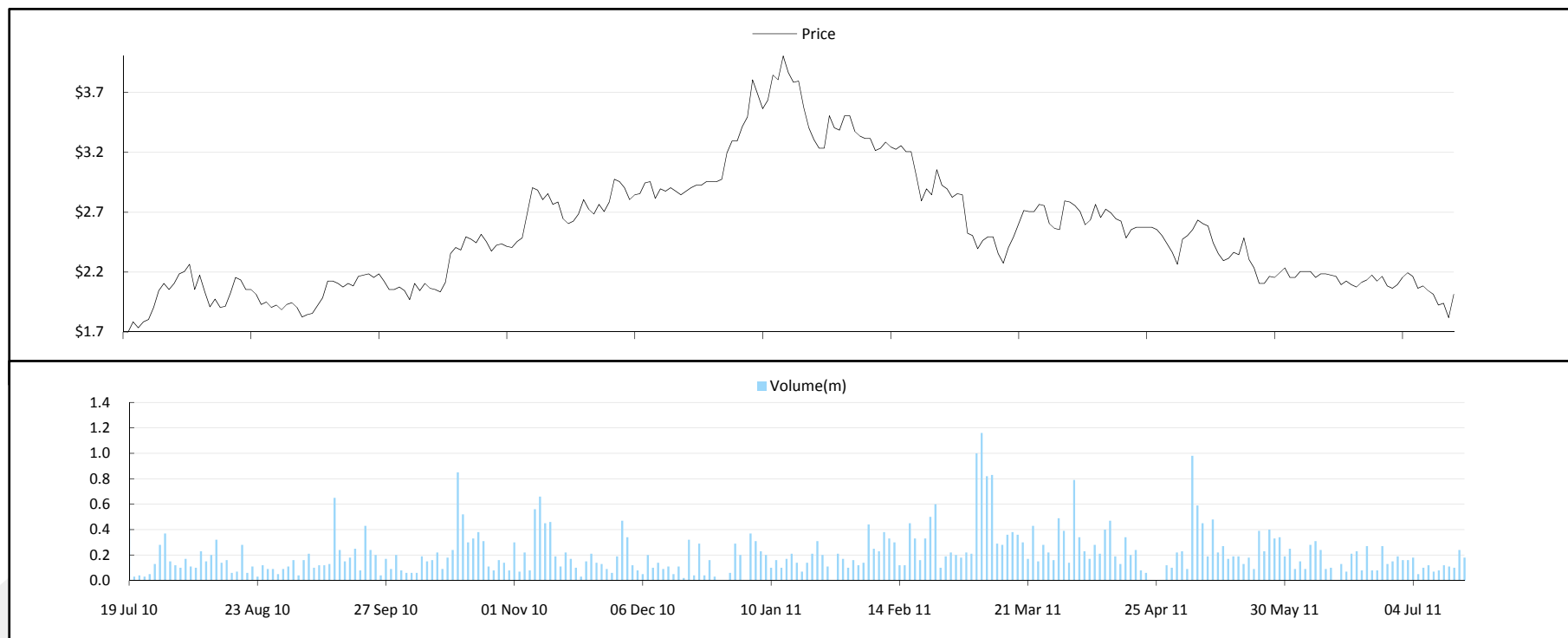
- Low cost, near-term production of lithium carbonate and potash
- Portfolio of projects located in renowned “lithium triangle” in Argentina
- Toyota Tsusho strategic partnership for Salar de Olaroz project
- DFS for flagship Olaroz project highlights strong project fundamentals
- Salinas Grandes drilling results confirms 2 brine bodies with good grades



Corporate Snapshot



ASX – 12 Month Price/Volume Graph to 14 July 2011



Trading Range:	A\$1.65 – A\$4.05 (12 Months to 14 July 2011)
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Shares O/S	103.1 million
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Options O/S	1.0 million
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Market Cap	~A\$198 million
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Cash	~A\$38 million (30 June 2011)
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Share price	A\$1.92 (ASX, 14 July 2011)
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Projects overview

Salar de Olaroz

- Flagship lithium project
- Toyota Tsusho JV partner
- DFS highlights strong project fundamentals
- Currently finalising financing with JV partner and seeking final provincial project approvals
- Located in Jujuy Province

Salinas Grandes / Cangrejillo

- Lithium-Potash project
- Drilling results confirms presence of two brine bodies with high grades and excellent chemistry
- Inferred resource estimate expected in CY11
- Located in Salta Province

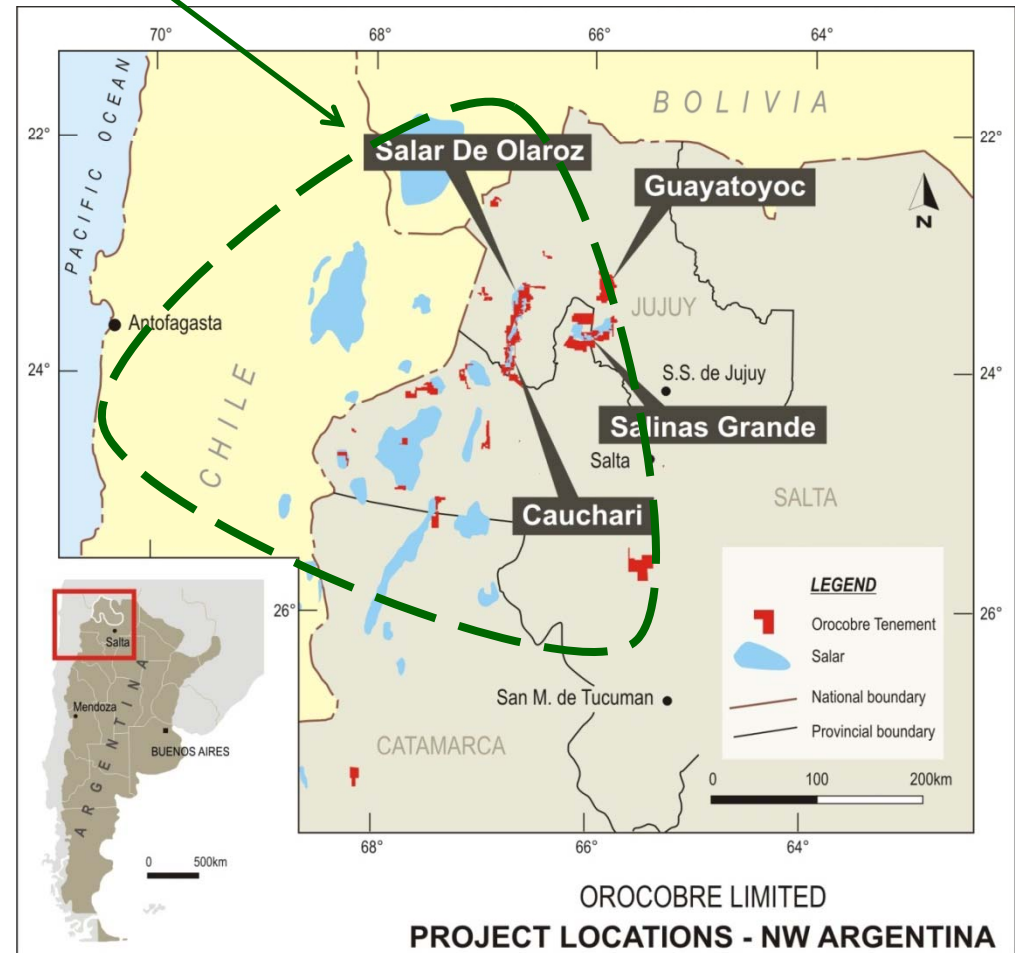
Cauchari

- 30,000 ha lithium-potash property immediately south of Olaroz
- Key properties about the high grade part of another company's resource
- Located in Jujuy Province

Guayatoyoc

- Potassium discovery

All projects located in "The Lithium Triangle"



Salar de Olaroz – Flagship Project

Significant high grade resource

- Lithium resources of 6.4 million tonnes of LCE
- Potassium resource of 19.3 million tonnes of potash
- High lithium concentrate of 690 mg/L
- Low magnesium: lithium ratio of 2.4

Attractive logistics and infrastructure

- Sealed road to port of Antofagasta, Chile (500 km)
- Railway to Antofagasta and to inland Argentina 70km to the south
- Gas pipeline 15 km to the north of salar
- Good communications
- Local workforce and support from San Salvador de Jujuy and Salta City

Major project milestones already achieved

- Positive DFS successfully completed
- Agreement with Toyota Tsusho
- Fourfold resource upgrade announced
- Battery grade lithium carbonate produced
- EIS approval received



Definitive Feasibility Study – Flagship Olaroz Project

- ✓ DFS highlights strong project fundamentals for flagship Salar de Olaroz lithium potash project
- ✓ Very large resource base with long project life
- ✓ Very low operating costs for battery grade lithium carbonate
- ✓ High quality DFS results – both technically and commercially sound – sets high standard for the industry
- ✓ Successful development of process route to produce battery grade lithium carbonate
- ✓ Lithium demand forecast to increase by 6.4% pa from 2010 with strong growth in lithium-ion batteries (Roskills)
- ✓ Potash demand forecast to rise to 54MT KCI in 2011 (Roskills)



DFS – Key Economic Findings

Economic Modelling - Olaroz Project			
		Lithium Carbonate Only	Potash By Product Added
Production Rate	TPA	16400	10000
Capital Cost	US\$million	207	221
Payback	Years	3	3
Cash Operating Cost	US\$/t Li C	1512	1230
After Tax Net Present value (7.5%)	US\$million	415	449
After Tax Internal Rate of Return	%	26%	27%
After Tax Net Present value (7.5%) - 60% debt	US\$million	449	489
After Tax Internal Rate of Return - 60% debt	%	52%	56%
Modeled Project Life	Years	40	40

* Modeling does not consider cost inflation and assumes constant exchange rate of US\$1 – ARG\$4

DFS - Resource Estimate Summary

- Olaroz Project has very large resource base which has potential to support long project life
- Combined Measured and Indicated Resource of:
 - ✓ 6.4 million tonnes of lithium carbonate
 - ✓ 19.3 million tonnes of potash (potassium chloride)

Resource Category	Area	Thickness	Mean specific yield	Brine volume	Concentration			Tonnes of Contained Metal		
					Lithium	Potassium	Boron	Lithium	Potassium	Boron
	sq. kms	metres	%	cubic kms	mg/L	mg/L	mg/L	Million Tonnes	Million Tonnes	Million Tonnes
Measured Resource	93	54	8.4%	0.42	632	4930	927	0.27	2.08	0.39
Indicated Resource	93	143	10.0%	1.33	708	6030	1100	0.94	8.02	1.46
Measured and Indicated Resource	93	197	9.6%	1.75	690	5730	1050	1.21	10.10	1.85

Measured and Indicated Resources of 1.75 cubic kilometres at 690mg/l lithium, 5,730 mg/l potassium and 1050mg/l boron from surface to 197m depth estimated by John Houston, Consulting Hydrogeologist. The information in this report that relates to Exploration Results or Mineral Resources is based on information prepared by, or under the supervision of Mr Richard Seville who is a member of the Australasian Institute of Mining and Metallurgy. Mr Seville is a Director of Orocobre Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves,' and as a "qualified person" under NI 43-101. Mr Seville consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The conversion rate used is 1 tonne of lithium metal produces 5.32 tonnes of lithium carbonate and 1 tonne of potassium produces 1.91 tonnes of muriate of potash

DFS - Capital Costs Estimates

Capital Cost Estimate - 16,400 tpa Lithium Carbonate		
Direct Costs		US\$million
	Brine Production Wells and Pipelines	7.1
	Evaporation Ponds	38.0
	Processing Plant	26.5
	Utilities (Power Station, Gas, Water, Communication)	27.3
	Infrastructure	11.9
	Contrators Distributables	15.0
	Sub-Total Indirect Costs	125.7
Indirect Costs		
	EPCM	22.6
	Third Party Services including freight, construction camp, catering etc	18.3
	Owners Costs to Production	17.9
	Sub-Total Direct Costs	58.8
Total Capital		184.5
Contingency		22.1
Total Capital including Contingency		206.7
Potash Plant Option		14.5



- ✓ Capital cost estimate allows for production of battery grade product
- ✓ Allows for detailed engineering design, EPCM and working capital
- ✓ Capital costs may be reduced by optimisation in design and alternative methodology
- ✓ Estimated by Sinclair Knight Merz

DFS – Very low Operating Cost Estimates

Operating Cost Estimate (16.400tpa production)		
	US\$million per annum	US\$/t Lithium Carbonate
Fixed Costs		
Personnel Charges	5.5	335
Other	2.4	147
Variable Costs		
Supplies and Reagents	15.6	951
Energy	1.3	78
Materials Handling	0.0	0
Total Operating Costs	24.8	1,512
Incremental cost for Potash Option	1.3	79
Incremental benefit for Potash Option	5.9	361
Total Net Operating Cost	20.2	1,230



Lithium only

Includes potash option

- ✓ Operating costs are materially less than hard rock mineral projects
- ✓ Project to be competitive with existing brine producers

Established Partner - Olaroz

- Toyota Tsusho and Orocobre entered into a agreement in January 2010
- Discussions with Toyota Tsusho and Japanese government regarding final JV and funding are progressing well
- Under original agreement, Toyota Tsusho can become a 25% equity participate in the Olaroz Project by:
 - Provision of US\$4.5m of funding for the DFS
 - Purchasing the 25% interest based on the NPV from the DFS
 - Securing a low-interest debt facility guaranteed by JOGMEC (Japanese Government) for at least 60% of project capex
- Toyota Tsusho leading marketing effort of Olaroz lithium carbonate
- Orocobre continues to receive enquires from potential partners regarding its other projects (Salinas Grandes and Cauchari) and will continue to explore these opportunities



Second major project - Salinas Grandes (Cangrejillo)

Strong landholding located in renowned “Lithium Triangle”

- 85% interest via South American Salars, a JV with local interests
- Orocobre holds largest land position including +13,500 hectares in the salar nucleus
- Located in Salta Province

Drilling tests confirm presence of two brine bodies

- High lithium and potassium grades
- Highly attractive brine chemistry
- High recoveries and simple processing route – suggesting low operating costs

Synergies with flagship Olaroz Project

- Salinas Grandes is 70 km south-east of Olaroz and has potential to be partly integrated into the Olaroz Project
- Good access to key infrastructure including port, rail and road

Actively progressing towards resource estimate

- Awaiting porosity results and shallow auger drilling results to deliver resource estimate



Drill rig at Salinas Grandes, Salta Province

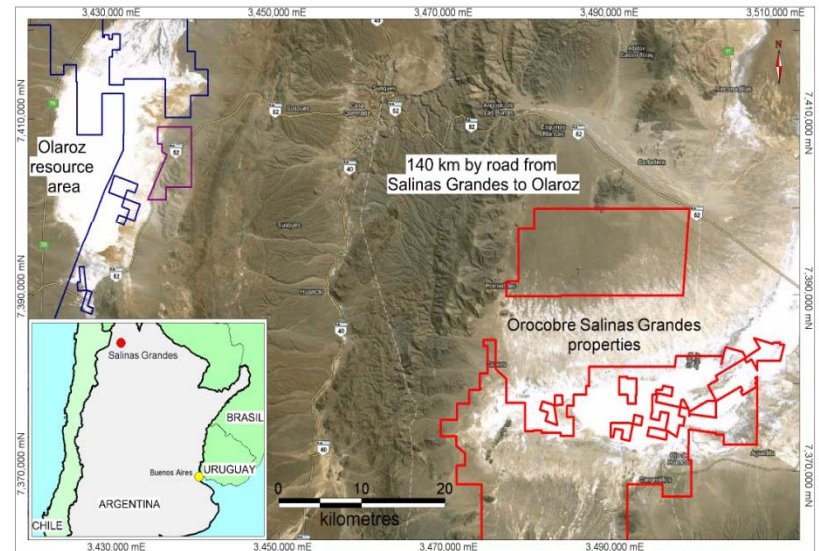
Salinas Grandes – Phase 1 Drilling Results

Phase 1 Drilling Results released to ASX on 18 July 2011

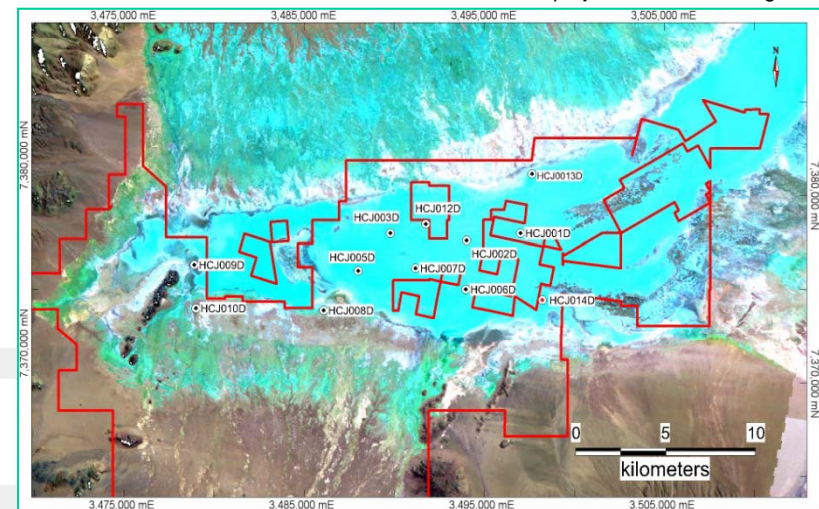
- Confirms two brine bodies with good grades and significant exploration potential
- Attractive brine chemistry
 - Low sulphate
 - Low magnesium: lithium ratio
 - High potassium: lithium ratio
- High potassium and lithium recoveries expected
- Simple processing, low operation costs
- Possible synergies with flagship Olaroz Project

Next steps

- Resource estimate
 - Results from British Geological Survey laboratories
 - Results from shallow auger drilling
- Extractability
 - Pump testing commenced

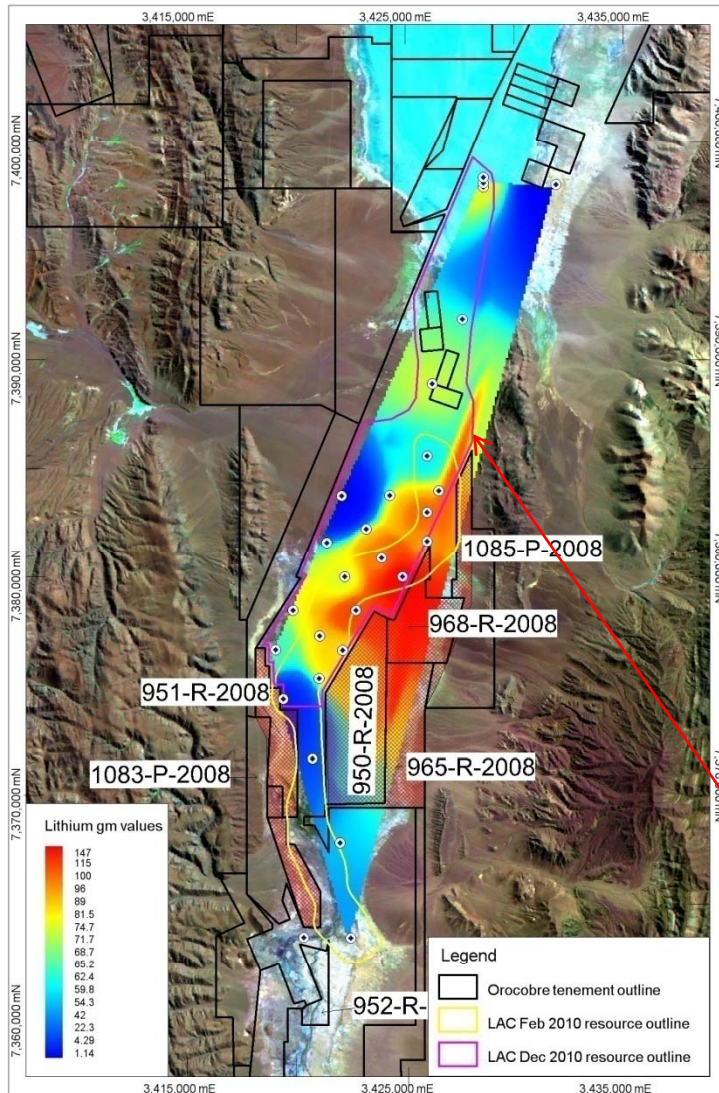


Above:: The location of the Salinas Grandes and Olaroz projects in northern Argentina



Above: The location of drill holes at Salinas Grandes within the Orocobre tenements

Salar de Cauchari – additional brine source for Olaroz?



Promising project located immediately south east of Orocobre's flagship Olaroz project

- Over 30,000 hectares of properties immediately south of Salar de Olaroz held by 85% South America Salars
- Li/K grades lower than Olaroz

Significant potential for synergies with Olaroz

- Potential for brines to be pumped to future Olaroz processing facilities
- Similar chemistry but with higher sulphate
- Should be amendable for treatment concurrently with Olaroz brine

Comprehensive drilling project planned

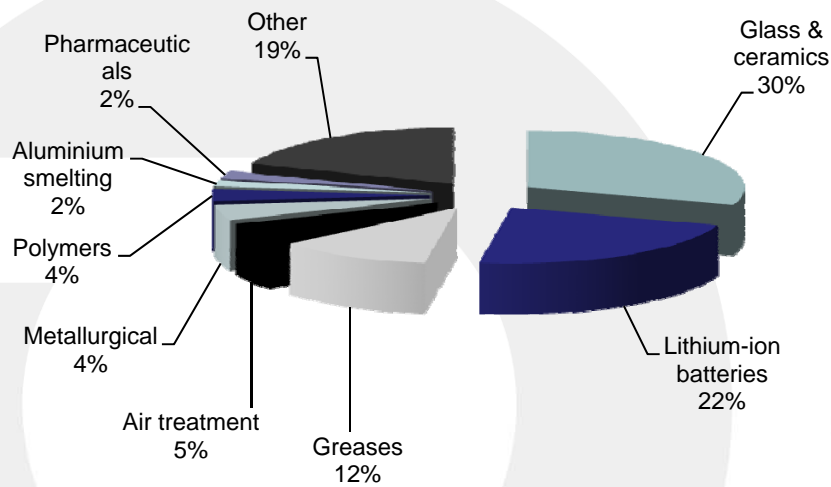
- Richest part of resource interpreted to extend south-east onto Orocobre properties

*Purple boundary –
LAC resource 11/10
Yellow Boundary LAC
resource area 3/10*

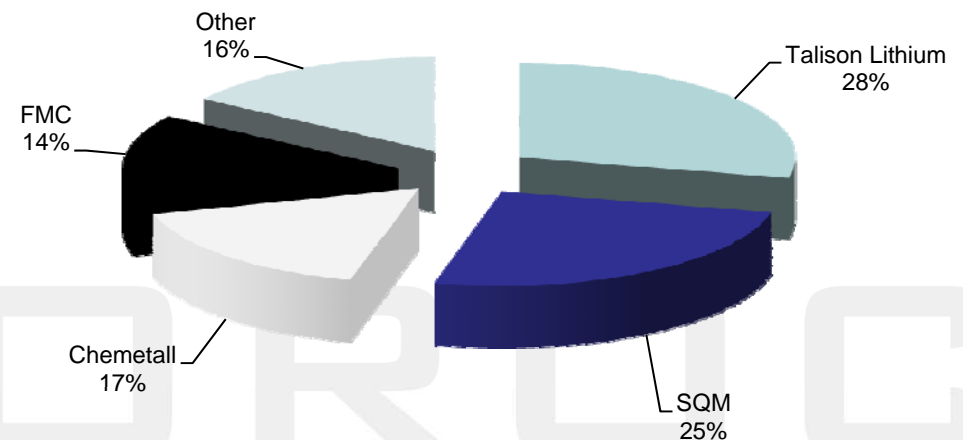
Lithium Market Dynamics – Don't forget supply

- Lithium demand fundamentals are relatively well understood with demand forecast to rise strongly to between 300,000 tpa and 500,000tpa by 2025 (Chemetal, Jan 2011).
- Driven by growth in lithium batteries demand for consumer products, electrification of transport and electrical storage
- The supply side of the story is less understood, Orocobre believes:
 - Supply response from spodumene producers is only relevant to China demand
 - Japanese and Korean consumers will look to brine suppliers for new supply
 - Some market forecasters are overestimating the brine supply response as existing producers only more limited and slower expansion capacity and brine grades are reducing as the (capped) expansion occurs

Current Lithium Demand by Industry

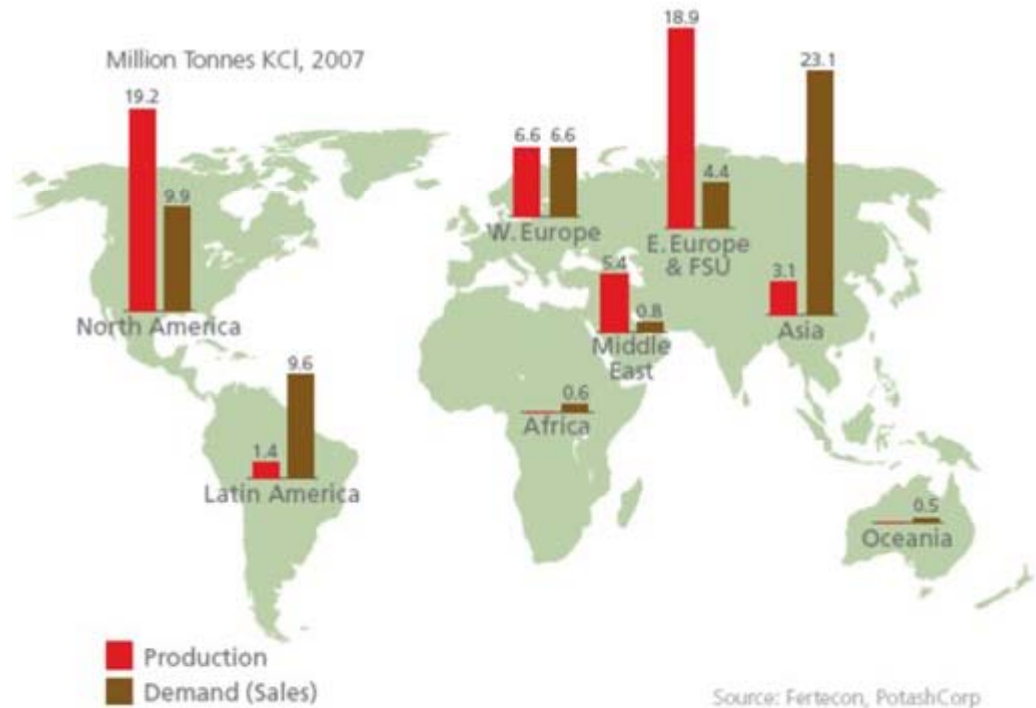


Current Lithium Supply by Company



Potash Market

- World potash production comes from underground deposits or Salars
- Potash has strong long-term pricing outlook and significant growth potential underpinned by:
 - crop science
 - strength in agricultural economics
- Potash is an irreplaceable element enabling increased global agricultural production
- One of the growing markets for Potash is neighbouring Brazil with its booming agricultural sector
- Orocobre's projects (Salinas Grandes and Guayatoyoc) are geographically well placed to supply this market



Focus on salar hosted minerals

- Lithium
- Potash
- Boron

Develop flagship Lithium-Potash Project: Salar de Olaroz

- World class high grade resource underpins long mine life
- DFS highlights strong project fundamentals
- Negotiations for final project funding, JV and provincial project approvals are well underway

Develop second Lithium-Potash Project: Salinas Grandes

- Targeting inferred resource

Expand Production at Olaroz by processing additional brine from Cauchari

- High quality exploration target in properties abutting high grade portion of another company's resource
- Complimentary chemistry although higher in sulphate.

Industry leading processes

- Industry leading drilling and DFS techniques leads to high level of confidence in results
- Strong focus on high quality operations: will not sacrifice quality for speed

Positively benefit the communities in which we operate

- Working with local communities for three years with programs aimed and increasing skills, capability, individual enterprise and micro-finance credit
- Significant numbers of local employees

Orocobre – What comes next?



Olaroz

- Finalise project funding
 - Discussions with partner Toyota Tsusho and Japanese banking and government departments are progressing well
- Finalise JV with Toyota Tsusho
- Final project approvals (EIS approvals have been received)

Salinas Grandes

- Resource Estimate
 - Awaiting porosity results from British Geological Survey laboratories and shallow auger drilling program
- Pump testing to assess extractability

Other projects

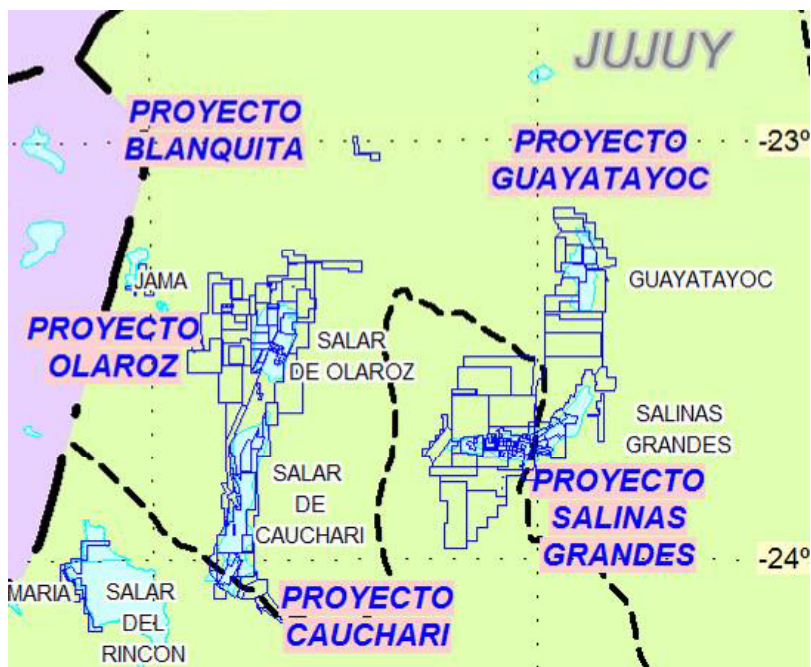
- Cauchari – drilling program to commence in 2011 (subject to Jujuy Provincial approvals)



Summary

- DFS confirms the low-cost, near-term production potential at Olaroz
- Toyota Tsusho partnership provides strong strategic and financial support
- Production of battery grade lithium carbonate from process development facilities achieved
- Strong pipeline of other projects including Salinas Grandes
- Lithium and potash pricing outlook remains positive

Orocobre Core Property Area



Note: Orocobre tenements outlined in blue

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Competent Person's and Qualified Person's Statement and Technical Information

The information in this report that relates to Exploration Results and Mineral Resources is based on information prepared by or under the supervision of Mr Richard Seville who is a member of the Australian Institute of Mining and Metallurgy. Mr Seville is a Director of Orocobre Ltd and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves', and as a "qualified person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects. Mr Seville consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Additional information relating to the Company's projects is available in the technical reports entitled "Technical Report – Salar de Olaroz Project, Argentina" dated April 30, 2010 (the "Olaroz Report"), "Technical Report – Salinas Grandes Project" dated April 30, 2010 and "Technical Report – Salar de Cauchari Project, Argentina" dated April 30, 2010 (collectively, the "Technical Reports"), respectively, which have each been prepared by John Houston, Consulting Hydrogeologist, together with, in the case of the Olaroz Technical Report, Peter Ehren, Consulting Processing Engineer, in accordance with NI 43-101.

The Technical Reports use the definitions, classifications system and guidelines of the Australasian Code for Reporting of Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Mineral Council of Australia (the "JORC Code"). The resource and reserve classification system of the JORC Code is directly comparable to the resource and reserve classification system of the CIM Standards on Mineral Resources and Mineral Reserves of the Canadian Institute of Mining, Metallurgy and Petroleum.

Reference should be made to the full text of the Technical Reports, which have been filed with certain Canadian securities regulatory authorities pursuant to NI 43-101 and are available for review under the Company's profile on SEDAR at www.sedar.com.