

3 MAY 2017

MACQUARIE AUSTRALIA CONFERENCE PRESENTATION

For personal use only



CAUTIONARY NOTES

This presentation has been prepared by the management of Orocobre Limited (the 'Company') and does not constitute as specific advice to any particular party or person. The information is based on publicly available information, internally developed data and other sources. Where any opinion is expressed in this presentation, it is based on the assumptions and limitations mentioned herein and is an expression of present opinion only. No warranties or representations can be made as to the origin, validity, accuracy, completeness, currency or reliability of the information. The Company disclaims and excludes all liability (to the extent permitted by law) for losses, claims, damages, demands, costs and expenses of whatever nature arising in any way out of or in connection with the information, its accuracy, completeness or by reason of reliance by any person on any of it.

This presentation contains "forward-looking information" within the meaning of applicable securities legislation. 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 may include, but is not limited to, the successful ramp-up of the Olaroz Project, and the timing thereof, the design production rate for lithium carbonate at the Olaroz Project, the expected brine grade at the Olaroz Project, the Olaroz project's future financial and operating performance including production, rates of return, operating costs, capital costs and cash flows, the comparison of such expected costs to expected global operating costs, the ongoing working relationship between Orocobre and the Provinces of Jujuy and Salta, the on-going working relationship between Orocobre and Olaroz project financiers Mizuho Bank and JOGMEC and the satisfaction of any lending covenants, the future financial and operating performance of the Company, its affiliates and subsidiaries including Borax Argentina, the estimation and realization of mineral resources at the Company's projects, the viability, recoverability and processing of such resources, timing of future exploration at 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 Salinas Grandes and Cauchari projects 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 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 but not limited to the risk of further changes in government regulations, policies or legislation; that further funding may be required, but unavailable, for the ongoing development of the Company's projects; fluctuations or decreases in commodity prices; uncertainty in the estimation, economic viability, recoverability and processing of mineral resources; risks associated with development of the Olaroz Project; unexpected capital or operating cost increases; uncertainty of meeting anticipated program milestones at the Olaroz Project or the Company's other projects; general risks associated with the feasibility and development of the Olaroz Project and the Company's other projects; risks associated with investments 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 consultants (including the size and grade of such 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 year ended June 30, 2016 filed at www.sedar.com.

Forward-looking information is based on a number of assumptions and estimates that, while considered reasonable by the Company, may prove to be incorrect. Assumptions have been made regarding, among other things: the Company's ability to carry on its exploration and development activities at its projects and to continue production at Borax Argentina's

properties, the timely receipt of required approvals, the prices of lithium, potash and boron, 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.

The technical information in this announcement has been prepared by Murray Brooker of Hydrominex Geoscience. Murray Brooker is a geologist and hydrogeologist and is a Member of the Australian Institute of Geoscientists. Murray 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 by Canadian Securities Administrators' National Instrument 43-101. Murray Brooker consents to the inclusion in this announcement of this information in the form and context in which it appears.

Additional information relating to the Company's projects is available on the Company's website in "Technical Report – Salar de Olaroz Lithium-Potash Project, Argentina" dated May 30, 2011, (the Olaroz Report), the "Technical Report – Salinas Grandes Project" dated April 30, 2010 and the "Technical Report – Salar de Cauchari Project, Argentina" dated April 30, 2010, respectively, which have each been prepared by John Houston, Consulting Hydrogeologist, together with, in the case of the Olaroz Report, Mike Gunn, Consulting Processing Engineer, in accordance with NI 43-101.

CAPITAL MARKETS SNAPSHOT (ASX:ORE, TSX:ORL)

CAPITAL STRUCTURE

(AS AT 27th April 2017)

Shares outstanding 210M

Performance Rights and Options Outstanding 1.84M

Cash Balance (27/4/17) US\$33.3M

Share price ASX/TSX A\$3.16/C\$3.00

Market capitalisation A\$664M

52 week share price range (close):

ASX A\$1.33–A\$5.05

TSX C\$1.25–C\$4.92

SHARE PRICE

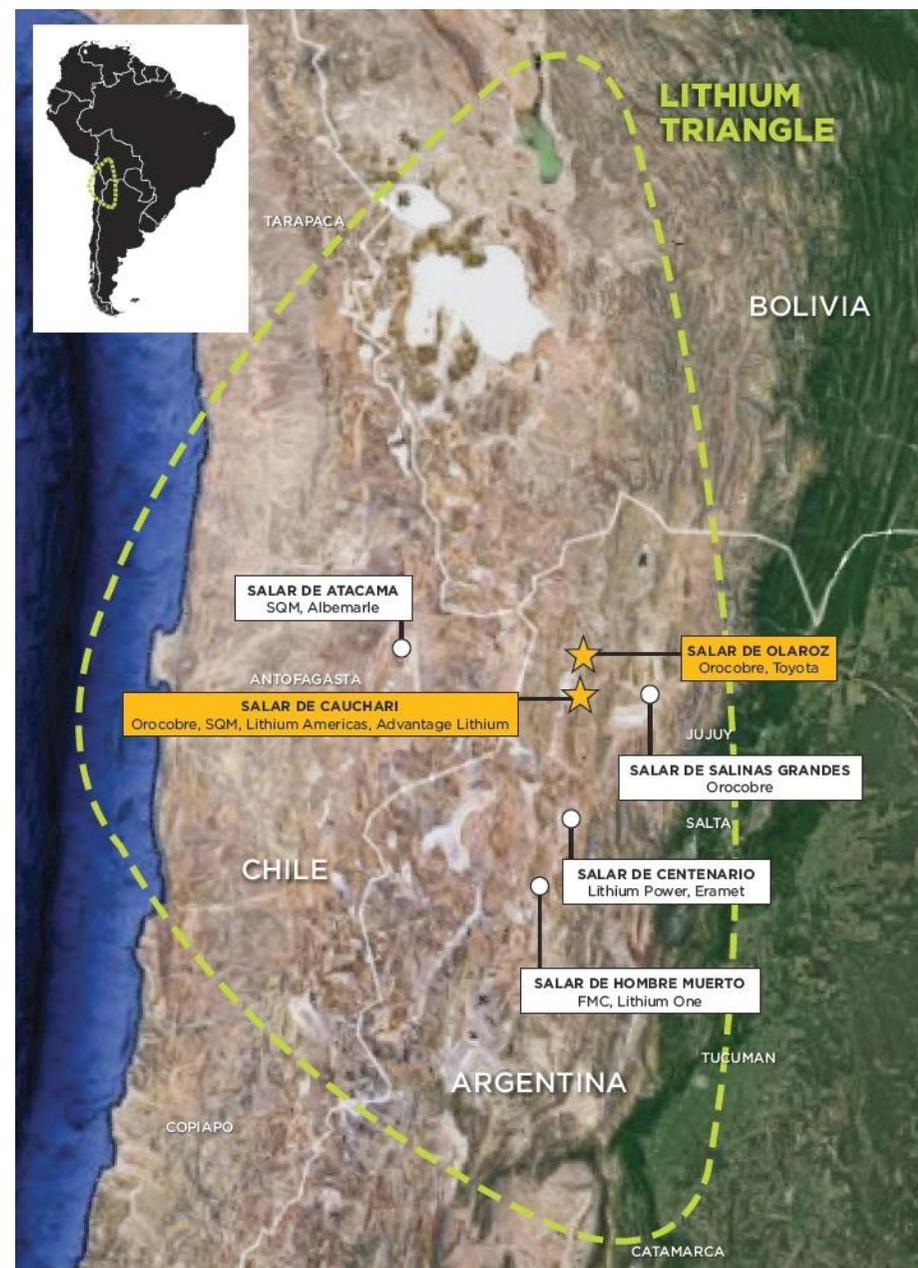


SHAREHOLDERS

Henderson Global	6.2%	Executives and Directors	~3.0%
UBS Group	5.1%	Institutions, Banks and Brokers	~69%

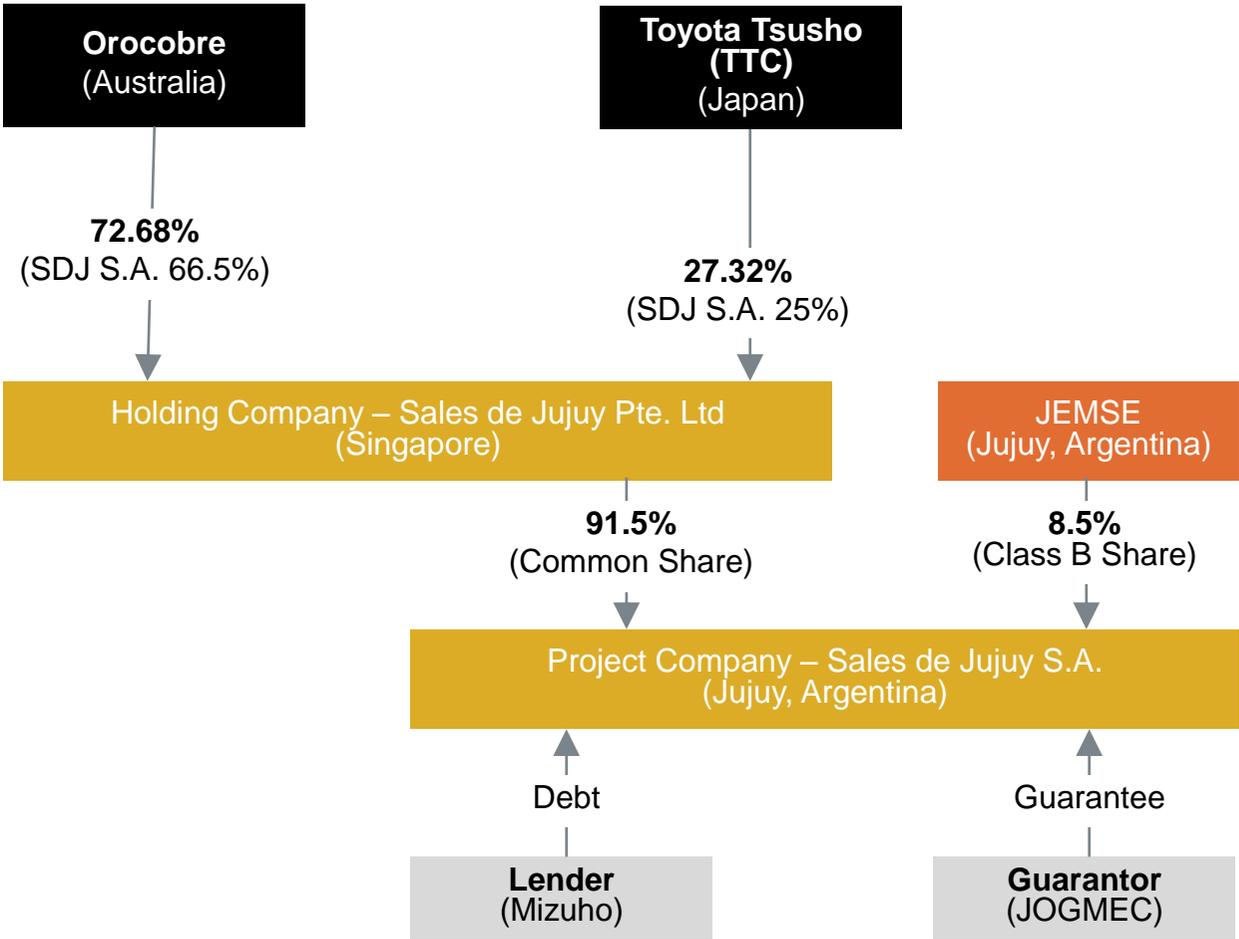
THE ARGENTINE ADVANTAGE

- Positive changes in capital flow
 - Holdouts agreement ends debt default
 - FX restrictions removed
 - Free capital mobility
 - Float of Peso
- Increased GDP growth
- Positive real interest rates
- Normalisation of inflation
 - Central bank targeting ~5% by 2019*
- Fiscal balance



OLAROZ JOINT VENTURE STRUCTURE

For personal use only



OLAROZ

For personal use only

THE JOURNEY



March 2009:
Initial
Resource and
Scoping Study.

March 2008:
Exploration
begins.



Jan 2010:
JV with Toyota
announced.



Nov 2012:
Construction
begins.

May 2011:
Olaroz DFS
Completed.

Jun 2012:
Government
Approval
obtained.

Aug 2013:
First Brine
pumping.



April 2015:
First Commercial
Dispatch.



For personal use only

MARCH QUARTER RESULTS

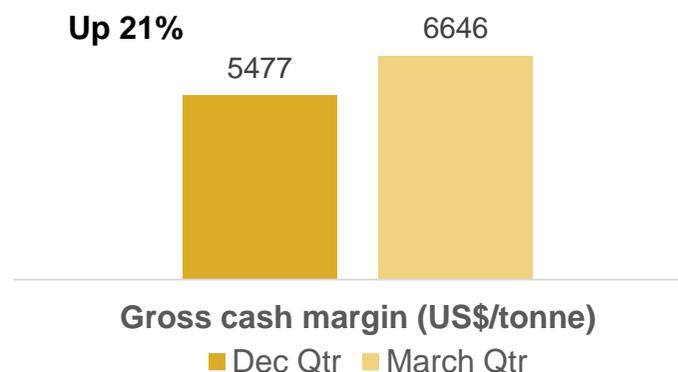
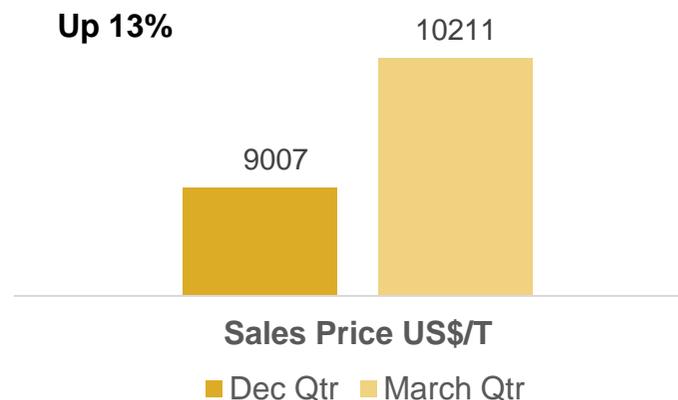
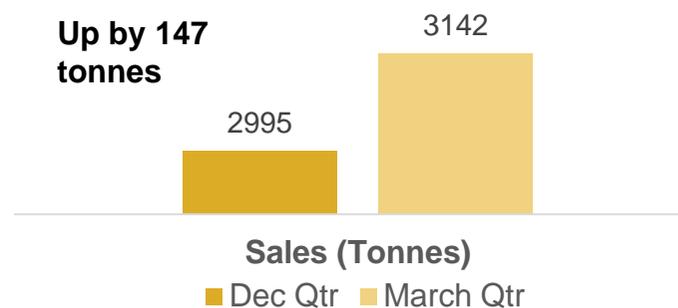
KEY NUMBERS MARCH QUARTER FY17

For personal use only

Strong cash generation driven by higher prices

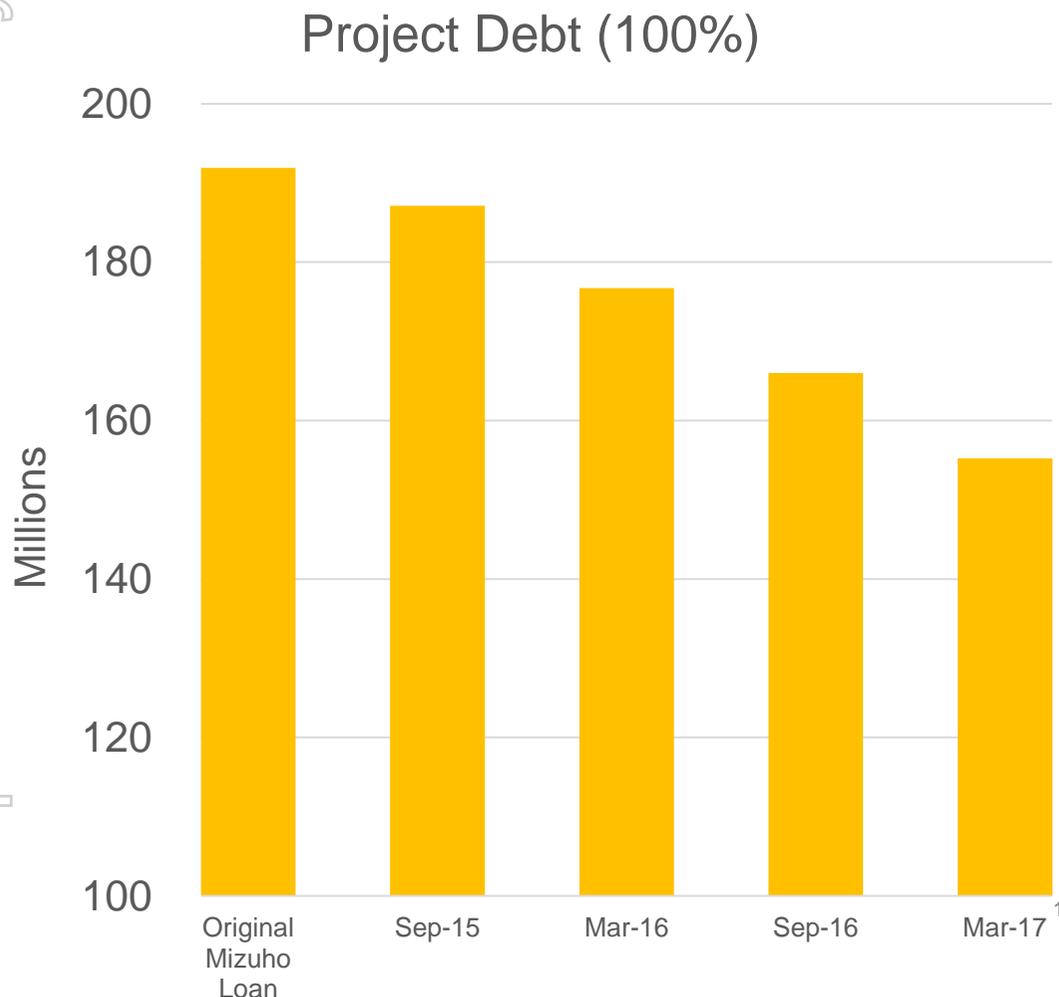
- Production of **2,784 tonnes** of lithium carbonate, down from 3,529 tonnes due to pond constraints
- Olaroz sales revenue of US\$32.1M on 3,142 tonnes, up **19%** QoQ
- Improving sales prices up 13% QoQ to US\$10,211/tonne
- Olaroz gross cash margin of **US\$6,646/tonne**, up **21%** QoQ
- Orocobre has **US\$33.3M¹** cash at bank, extra US\$4M on completion of Salinas Grandes transaction

Olaroz is strongly cash flow positive post debt service



STRONG CASHFLOW REDUCING PROJECT DEBT

For personal use only



- ~US\$37m principal of the Project Debt (19% reduction) repaid over the first 1.5 years
- Current Project Debt balance of ~US\$155M
- Project Debt repayments scheduled every six months to September 2024
- Project Debt incurs a low average interest rate of ~4.25%
- No additional cash has been provided to the JV since March 2016
- All other debt facilities (SBLCs and shareholder loans) are internal or cash backed

CASH IS INCREASING

Current group cash balance is US\$33.3M, with additional US\$4M due on completion of Salinas Grandes transaction

VAT - approvals and receipts accelerating

- VAT recovery process has been fine tuned and VAT refund payments have accelerated
- Receipt of US\$10.1M of VAT refunds occurred during the March quarter
- All VAT claims up to, and including, December 2016 have now been refunded
- The outstanding VAT balance is US\$18.4M¹ and is mainly related to the construction period
- All VAT is expected to be fully recovered by 30 June 2018

Standby Letters of Credit (SBLC) are being refunded

- US\$10.7M of SBLC's have been released on a 100% basis
- Additional refunds due to ORE of approximately US\$26M
- Expected to have all SBLC's released to ORE/TTC by December 2017

For personal use only

OPERATIONAL PERFORMANCE

POND MANAGEMENT IN FOCUS

- Issue with inventory distribution identified in February 2017
- Prior operating practice resulted in the pond system being managed inefficiently
- Actions:
 - Rapid re-balancing of brine volumes resulted in 20% increase to area under evaporation
 - Installation of pump systems to improve brine transfer
 - Additional resources dedicated to pond management, both internal and external
- The process will take until August due to inertia of pond system and low evaporation rates through winter



New pontoon pump - 19 April 2017

BATHYMETRIC SURVEY AND GUIDANCE

For personal use only



- Bathymetric survey underway to more accurately estimate brine volumes
- Sonar based system similar to a depth sounder on a boat
- Provides basis for production modelling
- 1H FY18 will see significant increase in production, formal guidance will be provided upon completion of bathymetric survey
- Guidance for 2H FY17 confirmed at 5,500-6,000 tonnes

PRIMARY CIRCUIT LITHIUM CARBONATE PRODUCTION



Overview

- Concentrated brine from ponds feeds the primary lithium carbonate circuit to produce an industrial grade product which is either sold or used as feed for the purification circuit

Update

- Maximum throughput achieved has been 66 tpd dried and bagged (35% above nameplate)
- Plant has operated over extended periods at above nameplate capacity of 48 tpd
- Average product quality is 99.0% and has a strong market acceptance including as feedstock for lithium hydroxide production
- Forecast production rate is limited by lithium available from the ponds for 2H FY2017

THE PURIFICATION CIRCUIT

Overview

- Lithium carbonate from the primary circuit is used to feed the purification circuit

Update

- During the past year the circuit has been operated in campaigns to permit modifications of the circuit over time and profit maximisation
- Maximum production rate achieved has been 43 tpd (90% of design) and has run at 35-40 tpd (73-83% of nameplate) during campaigns
- Cyclones have been installed to increase production rate through increasing capacity of the thickener circuit. Positive results achieved with 50% de-loading of the thickener and good settling characteristics maintained
- Consistent high purity quality product with specification of >99.5% and used in battery sector



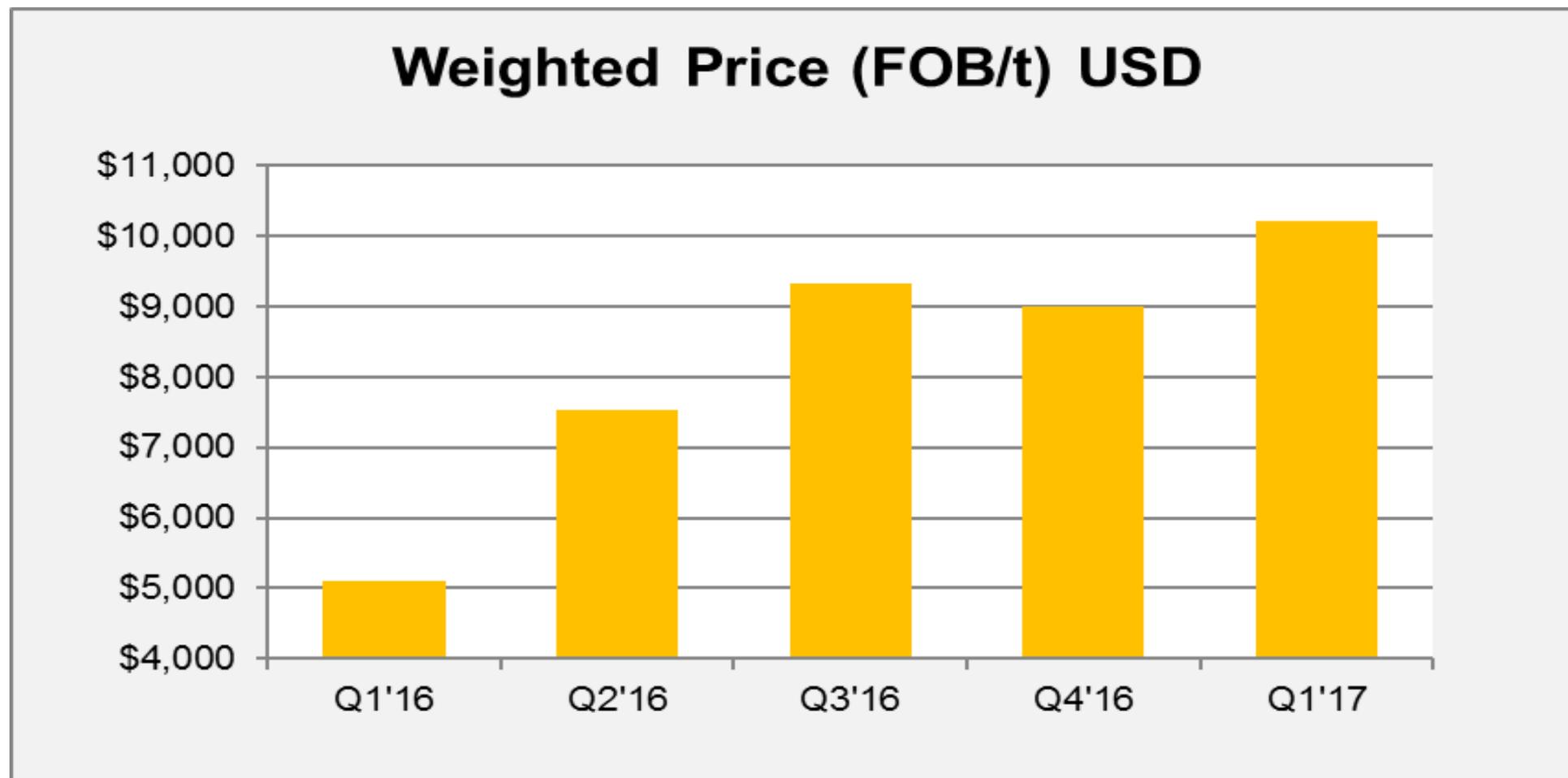
For personal use only

MARKETS



CUSTOMERS AND PRICING

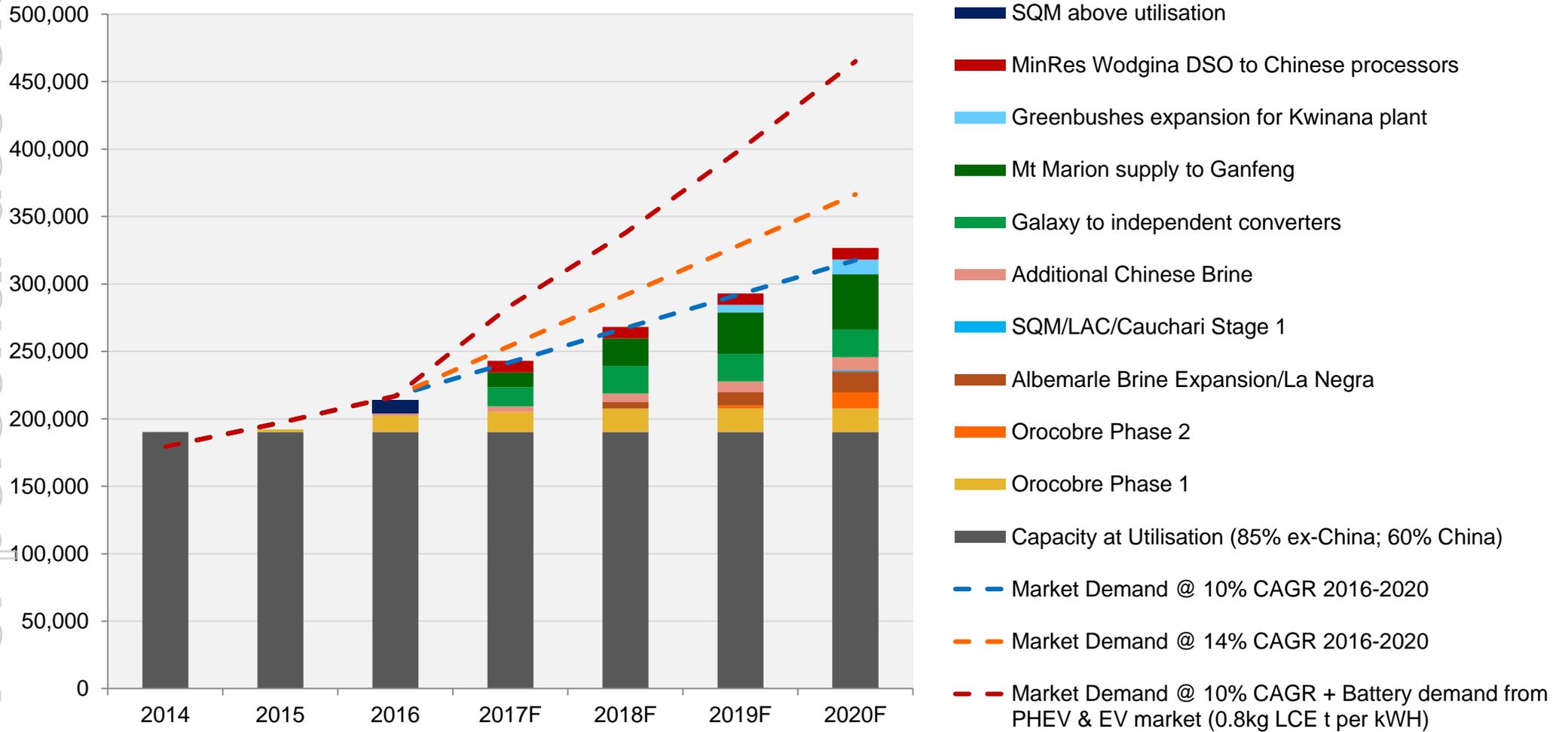
For personal use only



- Geographically diverse customer base including Japan, South Korea, Europe, USA and China
- Selling into industrial, chemical and battery markets
- June quarter sales price of approximately US\$10,000/tonne (FOB net of commissions and logistics)

OROCOBRE MARKET VIEW

Undersupply of Lithium Carbonate



Mineral losses of 10% is applied to all hard rock being provided to Chinese Conversion Plants
Wodgina DSO 1.29% grade, 50% recovery (Source: Roskill)

For personal use only

EXPANSION STRATEGY AND TIMING

GROWTH STRATEGY

- World class asset with very large resource capable of sustaining multiple internally funded expansions
- Olaroz is a low cost producer with proven process route
- Lithium carbonate and hydroxide markets are growing strongly with high pricing
- Prudently timed expansion delivers optimal shareholder value

The strategy

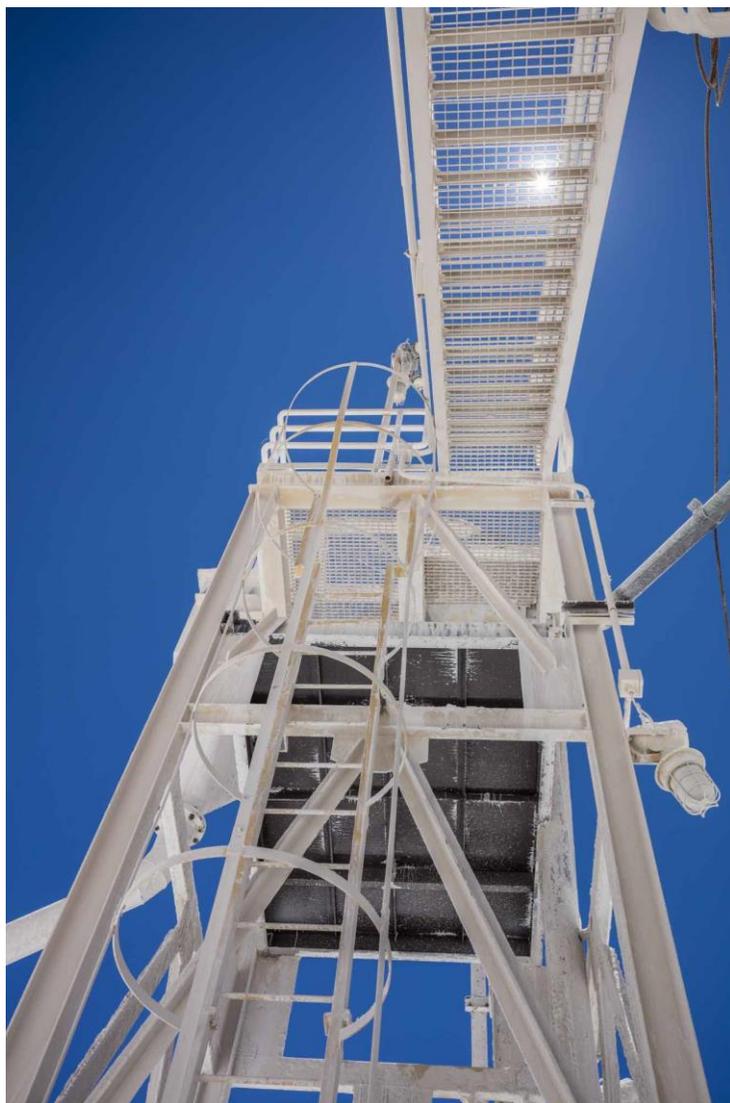
- 17,500tpa Battery Grade from existing purification circuit, and 17,500tpa Industrial Grade, of which 9,000tpa will be used to feed a planned 10,000tpa* lithium hydroxide plant in Japan



The Phase 2 expansion investment decision remains dependent on achieving Phase 1 design production rates and the expansion being funded without further equity capital (i.e. funded by project finance and Stage 1 operating cashflow).

OLAROZ EXPANSION

For personal use only



Scope

- Doubling of production to total of 35,000 tonnes per annum lithium carbonate
- No purification circuit needed, simple duplication of bores, ponds and primary circuit
- Lower risk – brownfields, access to finance, known chemistry

Capital Cost

- Olaroz expansion estimated capex \$US160M – lower capex with no duplication of purification circuit

Funding

- Anticipated access to Japanese supported project debt on similar terms to the existing Mizuho facility

Further Potential

- Prudent, internally funded (multiple) expansion options available

Timing

- Late 2018, early 2019 subject to approvals and Stage 1 production rates
- Ausenco selected as Engineering partner for Olaroz expansion

LITHIUM HYDROXIDE PLANT

Scope

- 10,000 tpa Lithium Hydroxide plant sourcing feedstock from Olaroz
- Will be managed by JV partners TTC – no distraction for Orocobre management and operational staff
- Test work underway to confirm process engineering

Capital Cost

- Lithium Hydroxide plant estimated capex \$US30M

Funding and Subsidies

- Anticipated access to Japanese supported project debt on similar terms to the existing Mizuho facility
- Subsidies available at both Japanese national and prefecture level to support the Lithium Hydroxide project

Further Potential

- Development of a second lithium hydroxide plant outside of Japan is being investigated

Timing

- LiOH plant is independent of the Olaroz Facility expansion with commissioning potentially at the end of 2018



REALISING HIDDEN VALUE

Advantage Lithium

- ORE has sold 50% of Cauchari and a number of exploration properties for 35% of AAL (approximately US\$25M), plus 2.55M warrants
- AAL to earn additional 25% of Cauchari on expenditure of US\$5M or production of a feasibility study
- Raised C\$20M to fund exploration and development program (ORE did not participate)
- Drilling commenced in early May
- Enables development of high potential exploration assets without further input of capital or management time by Orocobre, retaining our focus on current production and expansion plans at Olaroz

Salinas Grandes

- Sold to LSC Lithium for US\$7M (paid as below), 2% royalty and properties adjacent to Olaroz
- Consideration of US\$4M to be paid on completion plus three annual payments of US\$1M
- Transaction expected to complete in May

SUMMARY

Constrained production in June quarter lifting significantly in 1H FY18

High margin of US\$6,646/tonne in March quarter increasing cash generation

June quarter price received expected to be approximately US\$10,000/tonne (FOB net of commissions and logistics)

Plan to double production to 35,000 tonnes lithium carbonate

10,000 tonne hydroxide plant in Japan to add significant value

Expansion plans to be funded without new equity

Lithium market to remain in deficit

