

19 March 2013

## **ASX/TSX ANNOUNCEMENT**

### **Celebration of the Official Opening of Olaroz Construction**

A large function involving dignitaries, government, company staff, representatives of ten local communities and members of the business community was held on Thursday 14 March at the Salar de Olaroz to celebrate the official opening of the Olaroz project construction. Approximately 500 people attended.

The ceremony was attended by dignitaries Amado Bodou, Vice-President of Argentina; Eduardo Fellner, Governor of the Province of Jujuy; Hector Luzco, Susques Municipal Commissioner; Misashi Mizukami, Japan's Ambassador to Argentina and company representatives, James Calaway, Chairman; Richard Seville, Managing Director; Federico Nicholson, Director; Jose De Castro Alem, Group General Manager.

Richard Seville, Managing Director, highlighted that the Company's partner, Toyota Tsusho Corporation and financiers had had the confidence and trust that local management would deliver the project on time and within budget and hence supported the project.

"There were two main aspects that created this confidence and trust. First, there is the technical confidence created by Sales de Jujuy who developed a unique process for production of lithium carbonate, the purest in the world, which has two years of production history through the pilot plant. Secondly, there is the confidence to build Olaroz and commission the operation successfully. What we are doing here is novel and we had to initiate a process to market and sell the project to convince our financiers and partners".

On the policy of Sales de Jujuy adding value in the local Jujuy community, Mr Seville said that the creativity and problem-solving skills of the Argentine team provides a different approach to construction and as a result created a partnership between business, local communities and provincial and federal government.

"This strategy has a name and it is called JUJUY FIRST. It is therefore essential that Sales de Jujuy maintain control of the project and always keep in mind the objective to maximise social and economic benefits for the province.

With nearly US\$80m of contracts awarded to date, 60% of the providers are Jujuy based companies and the remaining 20% is with other Argentine companies. In my view, this is an unprecedented amount of local content for any mining project in the country and this process did not increase our budget" said Mr Seville

In terms of the social responsibility strategy implemented by Sales de Jujuy, Mr Seville said that this is maintained by the cooperation of the ten communities near the project and as an example he cited the joint direction they give to the Labour Exchange, which provides the system that allows opportunities for employment, education and training for local community people, contractors and businesses. “Now, 70% of people employed are from local communities and 95% are from Jujuy”

Finally, he acknowledged the association with the government and cited the government equity position through JEMSE, thanked the government sectors that were involved in approving the project and expressed his personal pride in working in collaboration and partnership across all government, business and community sectors to start production of lithium carbonate.

In line with the President's speech, Amado Bodou, Vice-President of Argentina said the Olaroz project is a clear example of social inclusion policy being advocated by Cristina Fernandez de Kirchner.

For his part, Governor Fellner said in a conversation with the president, he had stated that he needed a different direction for Jujuy, an industrialization policy, a challenge he was willing to accept. The start of the construction work to industrialize lithium in Jujuy is a clear example of mutual trust and support between the company and the communities of the highlands.

Also attending the event were provincial officials, legislators, businessmen, media and the general public. Students of secondary schools in the local communities received netbooks with lithium batteries through the Ministry of Education and its program "Connect Equality".

Paul Crawford  
Company Secretary

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James Calaway Orocobre Group Chairman, Misashi Mizukami Japan's Ambassador to Argentina, Amado Boudou Vice President of Argentina, Eduardo Fellner Governor of the Province of Jujuy, Jose Castro Orocobre Group Regional Manager and GM of Sales de Jujuy, Hector Luzco Susques Municipal Commissioner, Richard Seville Orocobre Group CEO



Local students receiving their netbooks



Official Plaque – Construction Celebration Project Olaroz



Richard Seville delivering his address in Spanish



Misashi Mizukami, Japan's Ambassador to Argentina, reinforces the importance of the partnerships in delivering the Olaroz project



Eduardo Fellner Governor of the Province of Jujuy endorses the project as a good example of social inclusion

### **About Orocobre Limited**

Orocobre Limited is listed on the Australian Securities Exchange and Toronto Stock Exchange (ASX:ORE, TSX:ORL), and is building a substantial Argentinian-based industrial minerals company through the construction and operation of its portfolio of lithium, potash and boron projects and facilities in the Puna region of northern Argentina. The Company is building in partnership with Toyota Tsusho Corporation the first large-scale, “greenfield” brine based lithium project in 20 years at its flagship Salar de Olaroz resource, with projected production of 17,500 tonnes per annum of low-cost battery grade lithium carbonate scheduled to commence in Q2 2014. The Company also wholly-owns Borax Argentina, an important regional borate producer. Orocobre has recently been included in the S&P/ASX 300 Index and was named 2012 Mining Company of the Year by Argentine mining magazine Panorama Minero and the Fundacion para el desarrollo de la Mineria Argentina (“Fundamin” or Foundation for Development of Argentina Mining). For further information, please visit [www.orocobre.com](http://www.orocobre.com)

### **Caution Regarding Forward-Looking Information**

*This news release contains “forward-looking information” within the meaning of applicable securities legislation. Forward-looking information contained in this release includes, but is not limited to, the draw down of finance for the Olaroz Project, the completion of construction at the Olaroz Project and the timing thereof, the commencement of commercial production at the Olaroz Project and the timing thereof, the cost of construction relative to the estimated capital cost of the Olaroz Project, the design production rate for lithium carbonate and potash at the Olaroz Project, the expected brine grade at the Olaroz Project, the expected operating costs at the Olaroz Project and the comparison of such expected costs to expected global operating costs, and the ongoing working relationship between Orocobre and the Province of Jujuy.*

*Such 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; the possibility that required concessions may not be obtained, or may be obtained only on terms and conditions that are materially worse than anticipated; the risk that the conditions precedent to draw down the project financing with Mizuho Corporate Bank will not be met; 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 weather patterns and impact on production rate; risks associated with construction and development of the Olaroz Project; unexpected*

*capital or operating cost increases; uncertainty of meeting anticipated program milestones at the Olaroz Project; general risks associated with the feasibility and development of the Olaroz Project; as well as those factors disclosed in the Company's Annual Information Form for the year ended June 30, 2012 filed at [www.sedar.com](http://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 and potash; 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.*