

24 April 2013

**ASX / TSX ANNOUNCEMENT**

**Orocobre provides Olaroz Lithium Project Construction Update**

Orocobre Limited (ORE:ASX, ORL:TSX) (“Orocobre” or “the Company”) is pleased to provide a progress report on the construction of the Company’s flagship Olaroz lithium project.

The construction of the Olaroz lithium project continues to advance according to schedule and within budget.



Road across the salar with the evaporation ponds in the distance

***Over the past month the following tasks were completed:***

- Dining area and labour bedroom modules
- Sewage treatment plant construction
- Lime plant conveyor construction – Area 4000
- Concrete supplier mobilization

***The following will be completed by months end:***

- Concrete Plant installation
- Contractors camp relocation
- Sewage treatment plant installation

***The following tasks are in progress:***

- Ball mill for the lime plant
- Equipment and mechanical installation at pumping station and water intake
- Tolas (Vegetation) Removal and recycling at the pond area
- Road and platform construction on the salar
- Evaporation ponds construction
- Lime plant silos, tanks and other facilities construction

Approximately \$87m of the US\$229m capital budget has been committed or spent (up from \$77m last month) and all major contracts awarded to this point remain on, or under, budget.

***The following tasks will continue through April and May:***

- Road and platform construction on the salar
- Evaporation ponds construction
- Production wells drilling
- Grounding and concrete foundations for Lime Plant
- Aqueduct construction
- Gas Pipeline construction
- Brine pipeline construction
- Protection channels construction
- Camp modules installation
- Warehouse Area fence construction

Contracts issued so far are running to schedule and within budget.

The Company continues to follow the “Jujuy First” strategy to successfully work with suppliers and the employment bureau to focus on the hiring of local people from the communities of Olaroz, Huancar, Puesto Sey, Pastos Chicos, Catua, Susques, Jama, El Toro, Coranzulí, San Juan and Abrapampa. The engagement of the community also extends to the provision of health services and programs to encourage the continued education of young people.

The project implementation is through EPCM (Engineering, Procurement and Construction Management) with a high proportion of local involvement through construction and supply contracts and local employment. The unique community and shared value policy continues as a key success factor, training local people with supervision by high quality experienced professionals.

The Olaroz lithium project is being developed by Orocobre (66.5%) with its partners Toyota Tsusho Corporation (“TTC”) (25%) and the Jujuy Province mining and energy company, JEMSE (8.5%) with a construction budget of US\$229m including contingency. The project is fully funded with up to US\$275m of funding available via US\$82.8m of equity funding from TTC and Orocobre and US\$192m of project finance for Mizuho Corporate Bank. First production is scheduled for the end of the second quarter, 2014.

**For more information please contact:**

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Foundation construction for camp containers



Foundations for Lime Plant Silos



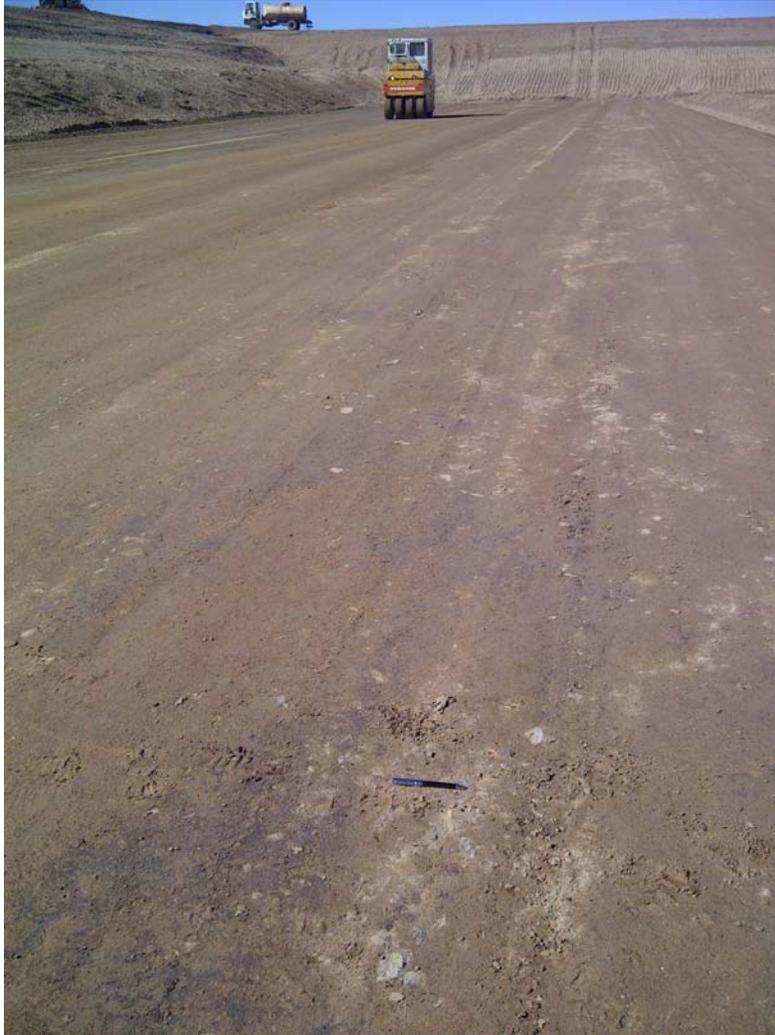
Concrete Plant



Evaporation pond under construction



Evaporation pond under construction



Evaporation pond under construction



Evaporation pond under construction



Evaporation pond under construction



Road across the salar (in the distance)



Continuing to make progress, on time and within budget

### **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 le Minería 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.*