

20 June 2011

ASX/TSX Announcement

Addenda Approved for the Salar de Olaroz Environmental Impact Statement by the Unit of Mining Environmental Management in Jujuy Province, Argentina

The Directors of Orocobre Ltd. (ASX:ORE, TSX:ORL) are pleased to announce that the Unit of Mining Environmental Management (“UGAMP”) has approved the addenda to the Environmental Impact Statement for the Salar de Olaroz Lithium-Potash Project. UGAMP is the committee comprising twelve members from various governmental departments, stakeholder groups, and local communities which reviews EIS’s for mining projects prior to approval by the Provincial Director on Mines and Energy Resources.

The addenda updated the previously approved Environmental Impact Statement with the results of the company’s extensive engineering and design efforts undertaken during the recently completed definitive Feasibility Study. In addition, the addenda addressed the development of the gas pipeline to support the energy needs of the operation.

Orocobre’s CEO, Richard Seville, said, “Whilst we must still complete the secondary approvals process according to the Provincial Decree announced on 4th March, we are gratified with the very strong support of the local communities in this UGAMP approval, and see this approval as a continuation of the development of positive relations with the Jujuy government and other stakeholders. We remain confident that our work and the support we are generating at the local level will lead to a timely final approval to build our lithium carbonate project.”

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About Orocobre Limited

Orocobre Limited is listed on the Australian Securities Exchange and the Toronto Stock Exchange (ASX:ORE, TSX:ORL) and is the leading lithium-potash developer in the lithium and potassium rich Puna region of Argentina

For further information, please visit www.orocobre.com.

This new release contains forward-looking information within the meaning of applicable Canadian securities legislation. Specifically, this press release contains forward-looking statements relating to the use of proceeds of the offering. The forward looking statements are based on certain key expectations and assumptions made by Orocobre, including assumptions concerning the timing of development, construction, and production from the Salar de Olaroz project, which expectations and assumptions management of Orocobre believes to be reasonable at this time. Although Orocobre believes that the expectations and assumptions on which such forward –looking statements are based are reasonable as of the date of this news release, undue reliance should not be placed on the forward – looking statements and information, as Orocobre can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their nature they involve inherent risks and uncertainties. The intended use of the proceeds of the offering by Orocobre may change if the board of directors of Orocobre determines that it would be in the best interests of Orocobre to apply the proceeds of the offering for some other purpose. The forward-looking statements contained in this news release are made as of the date hereof and Orocobre undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws