

Mr Christopher Dobbs
Adviser, Listings Compliance
ASX Compliance Limited
20 Bridge Street
Sydney NSW 200

Dear Mr Dobbs

Orocobre Limited (“ORE”): aware query

In response to your letter of 23 June 2017, and the questions and request for information set out therein, I advise as follows: -

1. Orocobre does not consider the information contained in the ASX announcement “Severe Weather Affects Operations” to be information that a reasonable person would expect to have a material effect on the price or value of its securities.
2. The recent weather events in Northern Argentina and Chile have affected the operations of Orocobre’s two local subsidiaries, Borax Argentina SA and Sales de Jujuy SA.

Given the relatively low revenues generated by Borax Argentina SA and the fact that no market guidance has previously been provided in respect of Borax Argentina SA it is reasonable to assume that the effect of the weather on the operations of Borax Argentina SA would be unlikely to have any material effect on the price or value of ORE securities.

At Sales de Jujuy SA production for the quarter is now forecast to be between 2,400 tonnes or 2,500 tonnes. Production for the half year had been forecast in the March Quarterly Report as between 5,500 tonnes to 6,000 tonnes. The revised forecasts for production from Sales de Jujuy SA represents between an 8% to 11.6% revision down for production in the quarter and a 3.9% to 5.3% reduction in the half yearly production. The weather event has not been ongoing and this reduction in production is considered a one-off. Accordingly there will not be any material effect on ongoing revenues and profitability, particularly given that ORE continues to expect a significant increase in production in the first half of FY18.

ORE considers it reasonable to believe that the information in the possession of the Company that the weather event would be likely to lead to a minor reduction in production would not have a material effect on the value of its’ securities.

Similarly, if price is considered in the context of “persons who commonly invest in securities” as that term is properly understood in the Listing Rules, that is investors who commonly buy and hold securities for a period of time based on a view as to inherent value, then the information in

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possession of ORE at the time of the announcement could not reasonably be considered to have a material effect on price.

ORE would note that the closing price on the day following the release of the announcement (Friday 23 June 2017) was 4% below the closing price on the preceding day. The volume of shares traded on Friday 23 June was 1,328,796 shares, below the 2 month daily average of 1,597,308 shares.

3. Not Applicable
4. Not Applicable
5. ORE confirms that it is in compliance with the Listing Rules and , in particular Listing Rule 3.1.
6. The responses above have been authorised by an officer of ORE with delegated authority from the board to respond to ASX on disclosure matters.

If you require any further information please do not hesitate to contact me.



Rick Anthon

Joint Company Secretary and General Counsel

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23 June 2017

Neil Kaplan and Rick Anthon
Joint Company Secretary
Orocobre Limited
GPO Box 1946
MILTON QLD 4064

By email: ranthon@orocobre.com, nkaplan@orocobre.com

Dear Mr Kaplan and Mr Anthon

Orocobre Limited (“ORE”): aware query

ASX Limited (“ASX”) refers to the following:

- A. ORE’s announcement entitled “Severe Weather Affects Operations” lodged on the ASX Market Announcements Platform (“MAP”) and released at 4:29pm on 22 June 2017 (the “Announcement”), disclosing that severe weather had affected ORE’s Olaroz Lithium Facility and Borax Argentina operations, resulting in a downgrade in Lithium carbonate production guidance for the FY17 June quarter to approximately 2,400 – 2,500 tonnes, from the 2,716 – 3,216 tonnes forecast in ORE’s announcement entitled “Quarterly Report of Operations for the Period Ended 31 March 2017” lodged on MAP and released at 9:40am on 27 April 2017.
- B. Listing Rule 3.1, which requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities.
- C. The definition of “aware” in Chapter 19 of the Listing Rules, which states that:

“an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity”

and section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B “When does an entity become aware of information”*.

- D. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

“3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- *It would be a breach of a law to disclose the information;*

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- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed."*

- E. ASX's policy position on the concept of "confidentiality", which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

"Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule."

Having regard to the above, ASX asks ORE to respond separately to each of the following questions and requests for information:

1. Does ORE consider the information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is "no", please advise the basis for that view.
3. If the answer to question 1 is "yes", when did ORE first become aware of the information?
4. If the answer to question 1 is "yes" and ORE first became aware of the information before the relevant date, did ORE make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe ORE was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps ORE took to ensure that the information was released promptly and without delay.
5. Please confirm that ORE is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that ORE's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of ORE with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (ie before 9.30 a.m. AEST) **on Tuesday 27 June 2017**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in ORE's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, ORE's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at chris.dobbs@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to ORE's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that ORE's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in ORE's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

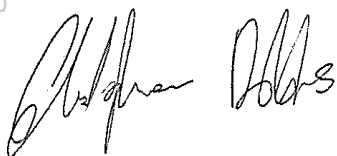
- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Chris Dobbs', written in a cursive style.

Christopher Dobbs
Adviser, Listings Compliance
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