



*The only ASX listed company producing high grade, high value  
lithium chemicals for global battery and technical markets*

# MARCH QUARTER 2020 KEY HIGHLIGHTS<sup>1</sup>

During the quarter the Olaroz Lithium Facility (Olaroz) temporarily stopped production due to Argentine government COVID-19 quarantine restrictions, which in addition to planned maintenance resulted in 21 days of lost production. Despite lower plant availability, cash cost of sales reduced by 3% quarter on quarter (QoQ). Market conditions and product pricing continued to be challenging, however operational cashflow remained positive. Work continues at the Naraha Lithium Hydroxide Plant (Naraha) while site operations at the Olaroz Stage 2 Expansion have stopped due to quarantine restrictions. In light of current operational conditions and uncertain future demand Orocobre Limited (Orocobre) has withdrawn guidance for FY20.

## OLAROZ LITHIUM FACILITY (ORE 66.5%)<sup>2</sup>

- Production for the quarter of 2,732 tonnes was down 11% on the previous corresponding period (PCP) due to the temporary plant shut down. Brine production and pond management continued throughout the quarter. Following the introduction of a strict bio-security protocol production of lithium carbonate recommenced on April 10<sup>th</sup> with a minimum crew
- Sales volume for the quarter was down 29% QoQ to 2,518 tonnes while sales revenue was down 32% QoQ to US\$12.1 million. The realised average price achieved was US\$4,810/tonne on a free on board basis (FOB)<sup>3</sup>. March quarter product pricing was below that of the December quarter with continuing weak demand and aggressive competitor behaviour
- Cash costs for the quarter (on cost of goods sold basis)<sup>4</sup> improved to US\$3,972/tonne, down 3% QoQ, excluding the export tax of US\$181/tonne for the quarter and care and maintenance costs of US\$255/tonne during the plant shutdown
- Operations remained operating cash flow positive with gross cash margins (excluding export tax) of US\$838/tonne, down 28% QoQ mainly due to the lower average price received, partially offset by better cost performance.

## LITHIUM GROWTH PROJECTS

- Construction of the Stage 2 Olaroz Lithium Facility Expansion reached approximately 35% completion prior to the imposition of COVID-19 quarantine restrictions which halted site activities. Site works will resume once these restrictions are lifted, however completion is now expected to be delayed
- Naraha Lithium Hydroxide Plant construction has not been affected by COVID-19 to date with more than 50% of works now completed. The final schedule may be delayed by two months due to late equipment deliveries from overseas.

## BORAX ARGENTINA

- Overall sales volume for the March quarter was 10,690 tonnes, up 24% QoQ and approximately flat on PCP. Operations were temporarily stopped due to COVID-19 restrictions as previously advised; however production has now recommenced with strict bio-security protocols in place
- Sales revenue was up 14% QoQ, however the average price received was down 6% QoQ.

## CORPORATE

- As at 31 March 2020, Orocobre corporate had available cash of US\$163 million of which US\$11.1 million and US\$29.3 million have been set aside as guarantees for the Naraha debt facility and Olaroz Expansion debt facility respectively. Including SDJ and Borax cash and project debt, net group cash at 31 March 2020 was US\$88.2 million, down from US\$115.5 million at 31 December 2019, due to funding of expansion activities
- Following the end of the quarter, the acquisition of Advantage Lithium Corp. (**Advantage**) was completed.

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<sup>1</sup> All figures presented in this report are unaudited

<sup>2</sup> All figures 100% Olaroz Project basis

<sup>3</sup> Orocobre report price as "FOB" (Free On Board) which excludes insurance and freight charges included in "CIF" (Cost, Insurance, Freight) pricing. Therefore, the Company's reported prices are net of freight (shipping), insurance and sales commission. FOB prices are reported by the Company to provide clarity on the sales revenue that is recognized by SDJ, the joint venture company in Argentina.

<sup>4</sup> Excludes royalties, export tax, corporate costs and restructuring costs

# OLAROZ LITHIUM FACILITY

[Click here for more information on Olaroz](#)

## SAFETY

Safety is the number one priority of the Company. From early February, awareness programs were conducted with employees and contractors on signs, symptoms and recommendations to minimise risk of exposure to the COVID-19 virus and prevent contagion. International company-related travel was restricted from February, and domestic travel from March. Towards the end of the quarter, detailed bio-security plans were developed for our operations in accordance with established national regulations and best practice approaches within the industry. These will continue to be revised and adapted in response to changing regulations and examples of best practice.

An emergency committee has been established comprising both Sales de Jujuy and Borax Argentina to coordinate operations, enforce the application of a bio-security protocol and review and update it as circumstances change. This committee analyses possible scenarios in order to plan and enable the company to be ahead of the circumstances and works in close coordination with local health authorities.

One Lost Time Injury was recorded at Olaroz during the quarter involving one of the Expansion contractors. As at 31 March there were 70 days without a Lost Time Injury (LTI).

To enhance control of the contractors associated with construction activities, the Company has focused this quarter on the implementation of SICOP contractor management system. SICOP serves as a centralised control system which provides real-time visibility of contractor certifications, compliance, and performance in accordance with established standards and regulations.

In addition to the Company's ongoing program of work with Dupont in Safety Culture and the consolidation of Intelex as the central safety management database, the Company has also been preparing for ISO re-certification audit which will be conducted in coming months. The Company also conducted a successful shutdown for plant maintenance during the quarter with no incidents recorded during the shutdown period.

## OPERATIONAL UPDATE

### QUALITY

In response to evolving market quality and specification requirements, Olaroz has continued with a product improvement and development program. Quality indicators remain positive with sustained gains on process stability, improved product quality and consistency.

A planned maintenance shutdown was successfully completed in February and when production resumed the processing plant quickly achieved required product specifications.

### PRODUCTIVITY

Production for the March quarter was 2,732 tonnes down from 3,075 tonnes on PCP.

Operations at Olaroz ceased on 20 March 2020 as a result of the Argentine Government's enactment of *Decree of Necessity and Urgency* (DNU) #297/20. Production was also impacted by a scheduled ten day maintenance shutdown in early February, resulting in a total 21 days of lost production during the quarter.

Production recommenced at Olaroz on 10 April 2020 following the specific declaration of Orocobre operations as "essential" activities. During April general production, distribution and marketing recommenced with a minimum workforce adhering to robust bio-security protocols to minimise the risk of COVID-19 infection or transmission.

### COSTS/MARGINS

Cash costs for the quarter (on cost of goods sold basis) improved to US\$3,972/tonne, down 3% QoQ and down 5% on PCP. This excludes care and maintenance costs of US\$255/tonne related to the temporary shutdown of operations in March and US\$181/tonne of export duties for the quarter. Gross cash margins for the quarter remained positive at 17% or US\$838/tonne (excluding export tax), down 36% QoQ and 84% on PCP.



A regimented financial plan continued during the quarter with the aim of reducing unit cash costs and sustaining the current competitive position as one of the world's lowest cost, brine based lithium carbonate producers.

Metric	March quarter 2020	December quarter 2019	Change QoQ (%)	PCP (Mar qtr 2019)	Change PCP (%)
<b>Production (tonnes)</b>	2732	3586	-24%	3075	-11%
<b>Sales (tonnes)</b>	2518	3287	-23%	3530	-29%
<b>Average price received (US\$/tonne)<sup>3</sup></b>	4810	5419	-11%	9451	-49%
<b>Cost of sales (US\$/tonne)<sup>4</sup></b>	3972	4109	-3%	4193	-5%
<b>Revenue (US\$M)</b>	12.1	17.8	-32%	33.4	-64%
<b>Gross cash margin (US\$/tonne)</b>	838	1310	-36%	5258	-84%
<b>Gross cash margin (%)</b>	17%	24%	-28%	56%	-69%
<b>Export tax (US\$/tonne)</b>	181	238	-24%	776	-77%

## SALES AND COMMERCIAL

Product sales were 2,518 tonnes of lithium carbonate with an average price of US\$4,810/tonne on an FOB basis and total sales revenue of US\$12.1 million. The average price received during the quarter was down 11% QoQ due to continued market softness and aggressive competitor behaviour.

Orocobre remains focused on growing the proportion of long-term contracts with customers where there is a strong, mutual strategic fit. In addition to the previously announced long-term supply agreements (see ASX Releases dated 20, 21 January 2020), further contracts of such kind are currently under negotiation and are at varying stages. While the worldwide uncertainty created by COVID-19 has slowed progress, Orocobre will continue to work towards this strategy.

## FUTURE GUIDANCE

Orocobre has withdrawn full-year production guidance for FY20 due current restrictions with production in Argentina and the high likelihood of ongoing disruption of future demand in global markets.

## STAGE 2 EXPANSION AT OLAROS

### PROGRESS TO DATE

As at 31 March, approximately US\$130 million has been spent on the first phase of activities. Siteworks on expansion operations ceased on March 20 and as these activities have not been declared an essential activity have not yet resumed.

Extensive restrictions have been experienced in terms of personnel movement between Argentine Provinces and on-site due to bio-security measures adopted following governmental requirements. Camp capacity has been severely restricted due to social distancing measures and these issues are expected to affect activities on site until they are lifted.

A range of options continue to be pursued to both conserve capital and optimise progress, however the COVID-19 crisis will cause a delay in project completion.

# NARAHA LITHIUM HYDROXIDE PLANT

## PROGRESS TO DATE

The Naraha Plant, the first of its kind to be built in Japan, is designed to convert industrial grade lithium carbonate feedstock into purified battery grade lithium hydroxide. Feedstock for the 10,000 tonne per annum (tpa) Naraha Plant will be sourced from the Olaroz Lithium Facility's Stage 2 Expansion that will produce industrial grade ( $>99.0\% \text{ Li}_2\text{CO}_3$ ) lithium carbonate.

Since construction commenced at the Naraha Plant there have been no LTIs recorded. The Veolia Joint Venture is undertaking weekly safety meetings and regular site safety checks, with project staff continuing to attend safety training in alignment with the project's safety management plan.

As at 31 March, approximately US\$40 million has been spent on the first phase of engineering, civil works and procurement at the Naraha Plant following utilisation of pre-payments to Veolia. Site operations have not been impacted by COVID-19 to date, however equipment deliveries from overseas are expected to be delayed which is likely to impact the final project completion by approximately two months.



*Aerial view of the Naraha Lithium Hydroxide Plant construction site*

## SHARED VALUE PROGRAM AND COMMUNITY

The Company's Shared Value team has been restructured in the last quarter to ensure equal and necessary focus on three key areas:

- 1) Community Empowerment – providing support and liaison for community members and the Company to support greater opportunities for local employment and local supply contracts
- 2) Community Investment – maintaining a focus on the long-term needs of communities and opportunities to enhance quality of life through initiatives independent from the Company's activities
- 3) Community Engagement – ensuring that channels of communication remain open at all levels of the community, particularly given issues of connectivity in the region.

Within these three focus areas, Shared Value programs and initiatives will continue to be developed and delivered in alignment with the five pillars – Health, Education, Empowerment, Transparency, and Production and Natural Resources.

The Company has also initiated a Giving and Volunteering Program to further expand its support and contribution to local communities whilst also providing its employees the opportunity to directly engage and contribute to communities and causes of interest. This Program will provide additional resources to support the Shared Value team's work in Community Empowerment, Investment and Engagement.

Towards the end of the quarter, additional focus was placed on COVID-19 response and overcoming the unique challenges that the pandemic presents for local communities.

## MARKET AND SALES

The existing challenges in the lithium market were compounded by the spread of COVID-19 during the March quarter impacting operations and logistics throughout the supply chain. As the quarter progressed it became increasingly apparent that customers downstream, particularly those in Europe and the United States (US), were impacted to a greater degree than raw materials and refining operations concentrated in Australia, China and South America. As a result, the supply/demand imbalance grew during the quarter resulting in greater pricing pressure for lithium chemicals.

During the early stages of COVID-19 the pandemic largely appeared contained to China. Shipments to Ex-China customers continued at this time although uncontracted volumes were often sold at lower prices reflecting Chinese customers absence and a need for suppliers to manage building inventory. As the pandemic breached the borders of China, the supply chain ground to a standstill. Car manufacturers in Europe and the US were the first to shut down operations or switch to producing necessary medical devices, resulting in a wave of closures or reduced operating rates upstream at battery and cathode manufacturers elsewhere. Non-battery customers including glass and ceramic producers were also forced to close manufacturing facilities as a Government directive and/or due to cancelled or indefinite delays to their customer orders.

At the conclusion of the quarter, European and US car plants were expected to be closed for approximately two to three months with an additional one to three months required to ramp operations back to previous levels. Battery and cathode suppliers are expected to adjust operations accordingly. In addition, these markets (Europe and the US) are vulnerable to an economic downturn which is expected to have an impact on lithium demand to early or mid-2021. Furthermore, the impact on electric vehicle (EV) demand of current low oil prices remains uncertain.

Meanwhile the Chinese market has progressively restarted operations. The Government has committed to extending the EV subsidy and 10% sales incentive to 2022. However, Chinese customers have been slow to return to car dealerships and as a result, lithium chemical customers have taken a 'wait-and-see' approach. Given China's economic troubles and low consumer appetite for domestic EV models hopes for the Chinese market rest heavily on further Government stimulus and continued strong sales performance from Tesla, particularly with the release of its highly anticipated Chinese-centric EV model later this year.

Orocobre shares the view that the Ex-China battery supply chain will be impacted by up to six months and economic factors are expected to delay the recovery of battery and non-battery demand to 2021. Non-battery sectors are viewed as being more vulnerable to continued sluggishness as they are highly correlated with GDP. The Chinese market is also expected to experience weak demand with EV customers purchasing opportunistically. Manufacturers are expected to keep inventories low until more definitive signs of improved and sustained demand emerge. Putting these challenges aside, Orocobre remains confident in long-term fundamentals underpinned by unwavering European carbon emissions penalties, global government EV targets and downstream expansion plans that may have been delayed, but not reduced.

# BORAX ARGENTINA S.A.

## SAFETY

Borax recorded one LTI during the March quarter. As at 31 March, the Sijes mine had achieved 412 days without an LTI, Tincalayu had achieved 24 days without an LTI and Campo Quijano had achieved 365 days without an LTI.

## PRODUCTION, SALES AND OPERATIONAL UPDATE

The March quarter saw sales of 10,690 tonnes which was up 24% QoQ and approximately the same as the previous corresponding period after adjusting for low value mineral sales in March quarter 2019. Total sales revenue was up 14% QoQ, while the average price received was down 6% QoQ.

Operations were also affected by Argentine government COVID-19 quarantine restrictions with production halted until the business was declared an “essential activity”. Following the declaration, operations recommenced with some on going restrictions due to the bio-security measures.

## COMBINED PRODUCT SALES VOLUME BY QUARTER

Previous Year Quarters		Recent Quarters	
June 2018	10,590	June 2019	11,758
September 2018	9,407	September 2019	12,480
December 2018	10,741	December 2019	8,614
March 2019	13,041 <sup>5</sup>	March 2020	10,690

Business development projects continue to be advanced and most sales that were due during the period of shutdown are likely to be delivered in the June quarter. Many customers of Borax operate in essential industries such as health and agriculture and will be less affected by current COVID-19 related restrictions.

## ADVANTAGE LITHIUM CORP.

Following the end of the quarter and an annual general meeting and special meeting of Advantage Lithium Corp. (**TSX Venture: AAL**) (**OTCQX: AVLIF**), a statutory plan of arrangement under the Business Corporations Act (British Columbia) (**the Arrangement**) was approved by Advantage shareholders. Orocobre has now acquired 100% of the issued and outstanding shares of Advantage that it did not already own.

Under the terms of the Arrangement, Advantage shareholders received 0.142 Orocobre shares per Advantage share. Orocobre has issued approximately 15.1 million shares and increased the total issued capital of Orocobre by 5.8%.

The valuation of Advantage based on the exchange ratio of 0.142 shares per the transaction will trigger a non-cash impairment charge of approximately US\$6.1M to be recognised by Orocobre on its investment in Advantage for the shares that it already owned. The impairment calculation will be completed as part of the preparation of Orocobre’s 2020 annual financial report.

This transaction will allow Orocobre to continue to develop the Olaroz/Cauchari basin in a cost-effective manner that will optimise extraction of the resource to the benefit of shareholders, local communities, the Provincial and National governments of Argentina and other stakeholders.

Orocobre shareholders have gained exposure to 4.8 million tonnes (Mt) of Measured and Indicated Resources and 1.5 Mt of Inferred Resources (expressed as lithium carbonate equivalent) at Cauchari as detailed in the [Orocobre ASX Release dated](#)

<sup>5</sup> Includes 2,312 tonnes of low value mineral product



7 March 2019. Defined JORC Measured and Indicated Resources at Olaroz/Cauchari now total 11.2 Mt of lithium carbonate equivalent and 1.5Mt of Inferred Resources.

The development of the Cauchari resource will be considered within future plans for the Olaroz Lithium Facility.

## CORPORATE AND ADMINISTRATION

### FINANCE

#### CASH BALANCE

As at 31 March 2020, Orocobre corporate had available cash of US\$163 million of which US\$11.1 million and US\$29.3 million have been set aside as guarantees for the Naraha debt facility and Olaroz Expansion debt facility respectively.

The US\$8.9 million cash reduction from the previous quarter was the result of a US\$7.5 million shareholders loan made to the SDJ Joint Venture to fund Olaroz Stage 1 project finance repayment and sustaining CAPEX, US\$1 million in corporate costs, US\$0.4 million in restructuring costs, and US\$1.3 million in other project payments. This expenditure was partially offset by US\$1.3 million interest income.

Including SDJ and Borax cash and project debt, net group cash at 31 March 2020 was US\$88.2 million, down from US\$115.5 million at 31 December 2019 as calculated below:

	US\$ Millions
ORE Corporate Cash	122.6
ORE Restricted Cash LIOH	11.1
ORE Restricted Cash Expansion	29.3
<b>Total ORE Corporate Cash</b>	<b>163.0</b>
Net Cash from other Entities	0.3
SDJ Cash @66.5%	17.5
SDJ Restricted Cash @ 66.5%	11.4
SDJ External Debt @ 66.5%	(104.0)
<b>Total Proportional Net Group Cash</b>	<b>88.2</b>

During the quarter conditions precedent relating to the US\$180 million Stage 2 financing were achieved allowing the subsequent draw down of this facility to US\$39 million.

#### GUIDANCE

In light of current operation conditions and uncertain future lithium demand the Company has withdrawn guidance for FY20.

#### INFLATION VERSUS DEVALUATION

The AR\$/US\$ exchange rate depreciated by 8% during the quarter from AR\$59.89/US\$ at 31 December 2019 to AR\$64.47 at 31 March 2020, whilst inflation for the same period was also approximately 8%. When looking at the accumulated 12-month period from 1 April 2019 to 31 March 2020, devaluation of the AR\$ against the US\$ was 49% versus inflation of approximately 48%. Over time, inflation and devaluation generally cancel each other out.



Authorised by:

**Rick Anthon**  
Joint Company Secretary

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## ABOUT OROCOBRE LIMITED

Orocobre Limited is listed on the Australian Securities Exchange and Toronto Stock Exchange (ASX:ORE) (TSX:ORL) and is a substantial Argentinian-based industrial chemicals and minerals company operating a portfolio of lithium, potash and boron projects and facilities in the Puna region of northern Argentina. The Company has built, in partnership with Toyota Tsusho Corporation and the investment division of the Jujuy Provincial Government (JEMSE), the first large-scale, greenfield brine-based lithium project in approximately 20 years at the Salar de Olaroz with planned production of 42,500 tpa of low-cost lithium carbonate.

The Olaroz Lithium Facility has a low environmental footprint because of the following aspects of the process:

- The process is designed to have a high processing recovery of lithium. With its low unit costs, the process results in low lithium cut-off concentration, which maximises resource recovery.
- The process has a zero liquid discharge design. Waste products are stored in permanent impoundments (the lined evaporation ponds). At the end of the project life the ponds will be capped and returned to a similar profile following soil placement and planting of original vegetation types.
- Brine is extracted from wells with minimum impact on process water resources outside the Salar. Because the lithium is in sedimentary aquifers with relatively low permeability, drawdowns are limited to the Salar itself. This is different from halite hosted deposits such as Salar de Atacama, Salar de Hombre Muerto and Salar de Rincon where the halite bodies have very high near surface permeability and the drawdown cones can impact on water resources around the Salar affecting the local environment.
- Energy used to concentrate the lithium in the brine is solar energy. The carbon footprint is lower than other processes.
- The technology developed has a very low maximum process water consumption of <20 l/s for current production which is low by industry standards. This process water is produced by reverse osmosis from non-potable brackish water.
- Sales de Jujuy S.A. is also committed to the ten principles of the sustainable development framework as developed by The International Council on Mining and Metals. The Company has an active and well-funded "Shared Value" Program aimed at the long-term development of the local people.

In accordance with its Community Policy, Orocobre continues to empower its communities through capacity building initiatives, and to encourage and facilitate direct and indirect community involvement in its activities. Priority in employment and procurement is given to the local communities of Olaroz Chico, Huáncar, Puesto Sey, Pastos Chicos, Susques, Catua, Jama, El Toro, Coranzulí and San Juan de Quillaques, all of which it is expected to receive education, training, development and support through Orocobre's Shared Value Program.

## TECHNICAL INFORMATION, COMPETENT PERSONS' AND QUALIFIED PERSONS STATEMENTS

The Company is not in possession of any new information or data relating to historical estimates that materially impacts on the reliability of the estimates or the Company's ability to verify the historical estimates as mineral resources, in accordance with the JORC Code. The supporting information provided in the initial market announcement on 21/08/12 continues to apply and has not materially changed. Additional information relating to the Company's Olaroz Lithium Facility is available on the Company's website in "Technical Report – Salar de Olaroz Lithium-Potash Project, Argentina" dated May 13 2011, which was prepared by John Houston, Consulting Hydrogeologist, together with Mr. Michael Gunn, Consulting Processing Engineer, in accordance with NI 43-101.

The information in this report that relates to exploration reporting at the Cauchari project has been prepared by Mr. Murray Brooker. Mr. Brooker is a geologist and hydrogeologist and is a Member of the Australian Institute of Geoscientists. Mr. Brooker is an employee of Hydrominex Geoscience Pty Ltd and is independent of Orocobre. Mr. Brooker 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 in NI 43-101. Mr. Brooker consents to the inclusion in this announcement of this information in the form and context in which it appears.

## CAUTION REGARDING FORWARD-LOOKING INFORMATION

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 concentration 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 in Argentina; the on-going working relationship between Orocobre and the Olaroz Project's financiers, being Mizuho Bank and JOGMEC and the satisfaction of lending covenants; the future financial and operating performance of the Company, its affiliates and related bodies corporate, including Borax Argentina S.A. (Borax Argentina); the estimation and realisation of mineral resources at the Company's projects; the viability, recoverability and processing of such resources; timing of future exploration of 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 Cauchari Project 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 statements are based on current expectations and beliefs and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performances and achievements to differ materially from any expected future results, performances or achievements expressed or implied by such forward-looking statements, including but not limited to, the risk of pandemic, 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; exceptional or prolonged adverse weather conditions; risks associated with investment 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 respective consultants (including the size and grade of the 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 financial year ended 30 June 2019 and Sustainability Report 2018 available on the ASX website and 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, potash and borates; market demand for products 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.