Orocobre Limited

ACN 112 589 910

Notice of General Meeting and Explanatory Statement

General Meeting to be held at Level 1, 349 Coronation Drive, Milton, Brisbane, Queensland, Australia 4064 on Monday 29 February, 2016 commencing at 8:30 a.m. (Brisbane time)

This Notice of General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

NOTICE OF MEETING

Notice is given that a General Meeting of Shareholders of Orocobre Limited (**Company**) will be held at Level 1, 349 Coronation Drive, Milton, Brisbane, Queensland, Australia 4064 on Monday 29 February, 2016 commencing at 8:30 a.m. (Brisbane time). An Explanatory Statement accompanies and forms part of this Notice. Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the Glossary of Terms as contained in the Explanatory Statement.

ORDINARY BUSINESS:

1. Ratification of Share Placement

To consider and if thought fit pass the following resolution as an ordinary resolution:

That for the purpose of Listing Rule 7.4, and for all other purposes Shareholders ratify and approve the issue by the Company of 25,350,551 shares at an issue price of $2.10 per share to sophisticated and professional investors pursuant to the Placement as described in the Explanatory Statement.

Voting Exclusion

The Company will disregard any votes cast on Resolution 1 by:

- *a person who participated in the issue; and*
- *any associate of those persons.*

However, the Company need not disregard a vote on Resolution 1 if:

- *it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- *it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

2. Approval to issue Shares

To consider and if thought fit pass the following resolution as an ordinary resolution:

That for the purposes of Listing Rule 7.1 and for all other purposes Shareholders approve the issue of 15,125,639 shares at an issue price of $2.10 per share to sophisticated and professional investors who participated in the Placement and otherwise on the terms and conditions set out in the Explanatory Statement.

Voting Exclusion

The Company will disregard any votes cast on Resolution 2 by:

- *a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; and*
- *any associate of those persons.*

However, the Company need not disregard a vote on Resolution 2 if:

- *it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- *it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

By Order of the Board
Rick Anthon
Joint Company Secretary
27 January 2016

EXPLANATORY STATEMENT:

This Explanatory Statement has been prepared for the information of Shareholders of Orocobre Limited in connection with the business to be conducted at an General Meeting of Shareholders to be held at, Level 1, 349 Coronation Drive, Milton, Brisbane, Queensland, Australia 4064 on Monday 29 February, 2016 commencing at 8:30 a.m. (Brisbane time)

This Explanatory Statement should be read in conjunction with the accompanying Notice of Meeting.

Background

On 22 January 2016, the Company announced a placement of 40,476,190 Shares at $2.10 per Share to raise $85,000,000 before costs.

Of the total Placement approximately 25,350,551 Shares (representing $53,236,157 of the Placement) was issued on the closing of the Placement pursuant to Orocobre's existing 15% capacity under ASX Listing Rule 7.1. The balance of the Shares (15,125,639) will only be issued upon receipt of shareholder approval to Resolution 2.

Resolution 1 Ratification of Share Placement

Approval sought

ASX Listing Rule 7.1 provides that, without the approval of shareholders, the Company must not issue or agree to issue equity securities if those securities, when aggregated with the securities issued by the Company without approval and which were not subject to an exemption during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12-month period (subject to certain rules and exemptions).

The Placement does not exceed the 15% limit. However, ASX Listing Rules 7.1 and 7.4 provide that, where a company in general meeting ratifies an issue of equity securities, the issue will be treated as having been made with approval for the purpose of ASX Listing Rule 7.1, thereby enabling the company to issue further equity securities in the following 12 months without exceeding the 15% limit.

Shareholder approval is sought in Resolution 1 to the issues of 25,350,551 shares, being the shares issued pursuant to the Placement so as to refresh the Company's 15% limit under ASX Listing Rule 7.1.

Information required by Listing Rule 7.5

As required by ASX Listing Rule 7.5, the following further information is provided in relation to Resolution 1:

(a) **Number of securities issued** – 25,350,551 ordinary shares.

(b) **Price at which the securities were issued** – $2.10 per ordinary share.

(c) **Terms of the securities** – The issued shares are fully paid ordinary Shares on the same terms as existing fully paid ordinary Shares on issue and ranking equally in all respects with the existing fully paid ordinary Shares on issue.

(d) **Names of allottees or basis on which the allottees were determined –** The Placement was facilitated by Canaccord Genuity Limited. The Shares were issued to selected institutional and sophisticated investors who satisfied the requirements of section 708(8) and/or section 708(11) of the Corporations Act.

(e) **Use or intended use of the funds raised** – The funds raised are to be used for meeting financing obligations of the Company and general group working capital requirements.

Recommendation of Board

No members of the Board have any personal interests in the outcome of Resolution 1. Accordingly, the Board unanimously recommends that eligible Shareholders vote in favour of Resolution 1. Each Director intends to vote all Shares they own or control the right to vote in favour of Resolution 1.

The Chairman intends to vote undirected proxies in favour of Resolution 1.

Resolution 2 - Issue of Shares pursuant to Placement

Background

Resolution 2 proposes to obtain shareholder approval to the issue of 15,125,639 Shares to professional and sophisticated investors pursuant to the Placement.

Approval sought

ASX Listing Rule 7.1 provides that, without the approval of Shareholders, the Company must not issue or agree to issue equity securities if those securities, when aggregated with the securities issued by the Company without approval and which were not subject to an exemption during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12-month period (subject to certain rules and exemptions).

When undertaking the Placement the Company was not able to issue 15,125,639 Shares that were due to be issued to subscribers to the Placement as it did not have sufficient capacity under the 15% threshold allowable under Listing Rule 7.1.

Resolution 2 is proposed to approve the issue of the Shares due to the subscribers to the Placement.

Information required by Listing Rule 7.3

The following information is provided in accordance with the requirements of ASX Listing Rule 7.3:

(a) **The maximum number of Shares to be issued** - The maximum number of Shares to be issued will be 15,125,639 fully paid ordinary shares.

(b) **The date by which the Company will issue the Shares** - The shares will be issued as soon as possible after the receipt of Shareholder approval to their issue and in any event no later than three months after the date of the general meeting (or such later date as may be permitted by an ASX waiver of the Listing Rules, the Corporations Act 2001 and/or the Australian Securities and Investments Commission).

(c) **The issue price of the Shares** - The issue price of the Shares will be $2.10.

(d) **The names of the persons to whom the securities will be issued** - The Placement was facilitated by Canaccord Genuity Limited. The Shares were issued to selected institutional and sophisticated investors who satisfied the requirements of section 708(8) and/or section 708(11) of the Corporations Act**. .**

(e) **The terms of the Shares** - The issued Shares are fully paid ordinary Shares on the same terms as existing fully paid ordinary Shares on issue and ranking equally in all respects with the existing fully paid ordinary Shares on issue.

(f) **The intended use of the funds raised** - The funds raised are to be used for meeting financing obligations of the Company and general group working capital requirements.

Directors' Recommendation

No members of the Board have any personal interests in the outcome of Resolution 2. Accordingly, the Board unanimously recommends that eligible Shareholders vote in favour of Resolution 2. Each Director intends to vote all Shares they own or control the right to vote in favour of Resolution 2.

The Chairman intends to vote undirected proxies in favour of Resolution 2.

Admission to Meeting

Shareholders who will be attending the meeting, and who will not be appointing a proxy, are requested to bring the proxy form to the meeting to help speed admission. Shareholders who do not plan to attend the meeting are encouraged to complete and return the proxy for each of their holdings of Orocobre Limited shares.

Proxies

If you are unable to attend and vote at the meeting and wish to appoint a person who will be attending as your proxy, please complete the enclosed proxy form. This form must be received by the Company at least 48 hours before the scheduled commencement time for the meeting.

A shareholder entitled to attend and vote at this meeting is entitled to appoint not more than two proxies (who need not be members of the Company) to attend and vote for the member at the meeting.

If the shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the shareholder's votes each proxy may exercise, each proxy may exercise half of the votes. A single proxy exercises all voting rights.

The Chairman intends to vote undirected proxies in favour of Resolutions 1 and 2.

Proxies will only be valid and accepted by the Company and/or the share registry if they are signed and forwarded to the Company at the address or facsimile number quoted below so as to be received not later than 48 hours before the meeting.

The completed Proxy Form may be mailed/delivered to the Company's share registry, Boardroom Pty Ltd

- in person: Level 12, 225 George Street, Sydney NSW 2000 Australia
- by mail: GPO Box 3993 Sydney NSW 2001 Australia
- by facsimile: +61 2 9290 9655

The Company has determined in accordance with regulations pursuant to section 1074E of the Corporations Act 2001 that for the purpose of voting at the meeting, shares will be taken to be held by those persons recorded on the Company's register as at 7pm (AEDT) on 26 February 2016.

Glossary of Terms

Unless the context indicates a contrary intention, the following terms and abbreviations used in the Notice of Meeting and this Explanatory Statement have the following meanings:

ASX means ASX Limited (ACN 008 624 691) and includes any successor body.

Company means Orocobre Limited ACN 112 589 910.

Corporations Act means the Corporations Act 2001 (Cth).

Explanatory Statement means this explanatory statement that accompanies and forms part of the Notice of Meeting.

Listing Rules mean the Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the Official List, each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Notice of Meeting means the notice of annual general meeting dated 27 January 2016 which this Explanatory Statement accompanies and in which the Resolutions are set out.

Placement means a placement of 40,476,190 ordinary Shares at $2.10 per Share to raise $85,000,000 before costs

Resolution means the resolutions referred to in the Notice of Meeting.

Share means a fully paid ordinary share in the Company.

Shareholder means a holder of Shares.

All Correspondence to:

By Mail	Boardroom Pty Limited GPO Box 3993 Sydney NSW 2001 Australia	
By Fax:	+61 2 9290 9655	
Online:	www.boardroomlimited.com.au	
By Phone:	(within Australia) 1300 737 760 (outside Australia) +61 2 9290 9600	

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 08:30am (Brisbane Time) on Saturday, 27 February, 2016.**

TO VOTE ONLINE

STEP 1: VISIT www.votingonline.com.au/orocobreegm2016

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

BY SMARTPHONE

Scan QR Code using smartphone QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

(a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

(b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore **before 08:30 am (Brisbane Time) on Saturday, 27 February, 2016.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

Online	www.votingonline.com.au/orocobreegm2016
By Fax	+ 61 2 9290 9655
By Mail	Boardroom Pty Limited GPO Box 3993, Sydney NSW 2001 Australia
In Person	Level 12, 225 George Street, Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Orocobre Limited
ACN 112 589 910

☐ **Your Address**
This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Orocobre Limited** (Company) and entitled to attend and vote hereby appoint:

☐ the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the General Meeting of the Company to be held at **Level 1, 349 Coronation Drive, Milton, Brisbane QLD 4064 on Monday, 29 February, 2016 at 08:30am (Brisbane Time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Ratification of Share Placement	☐	☐	☐
Resolution 2	Approval of Issue of Shares	☐	☐	☐

STEP 3 SIGNATURE OF SHAREHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name…………………………………………….... Contact Daytime Telephone……………………….......................... Date / / 2016