

18 April 2016

ASX/TSX ANNOUNCEMENT
Quarterly Report of Operations
For The Period Ended 31 March 2016

Highlights

Olaroz Lithium Facility

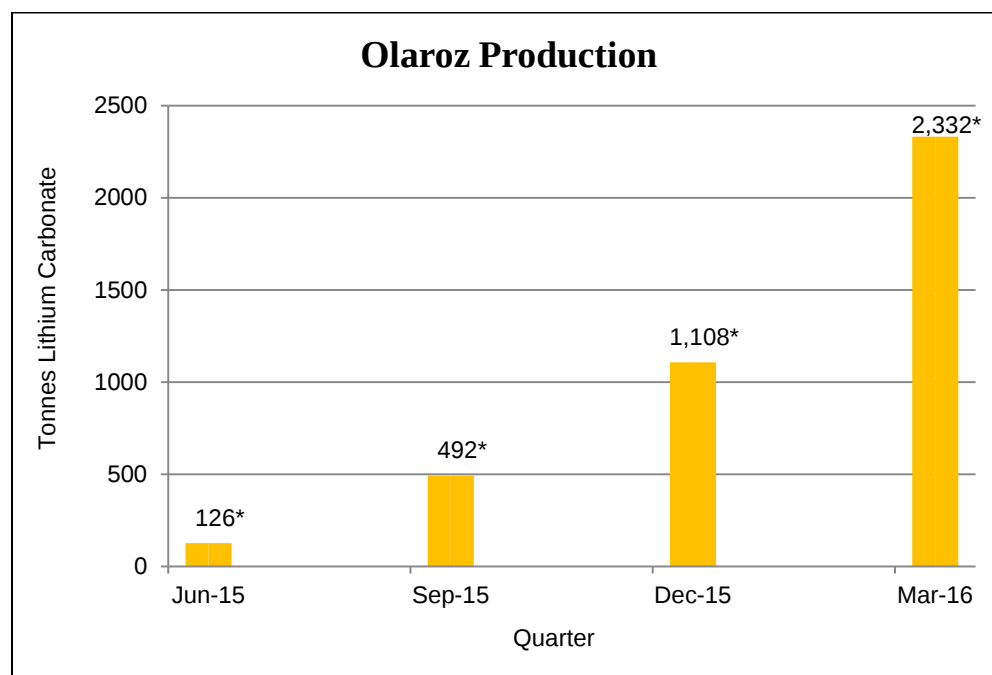
- Production ramp up continues with production of 2,332 tonnes of lithium carbonate during the quarter versus a target of ~2,400 tonnes (97% achieved). This is an increase of 1,224 tonnes over the previous quarter. Operating cash cost breakeven was achieved, and debottlenecking program completed, in January.
- Commercial dispatches of high purity, “battery grade” product made to first battery market customers in Q1 with additional customers scheduled for delivery in Q2.
- Production forecast for Q2 is approximately 3000 tonnes.
- Q2 lithium carbonate price expected to be over US\$7,500/tonne FOB¹ with further increases expected as we move further into CY2016. (¹Net of agency fees, international freight and insurance)
- Studies for the expansion of Olaroz Stage 2 will commence in Q2 with a scope of 17,500 tpa additional LCE at an estimated CAPEX of ~US\$140m.
- Draft report of the first stage of the evaluation of the Bateman Advanced Technologies (BAT) LiSXTM process is expected at the end of April.
- Competitiveness improved by devaluation of the AR\$ and removal of export duties on lithium carbonate.

Borax Argentina

- Borax Argentina returned to being operationally EBITDA positive for the quarter.
- Sales volume in the quarter was 8,006 tonnes which is a decrease of 2,072 tonnes on the previous quarter and a decrease of 976 tonnes on the same quarter last year (8,982 tonnes) on a comparable basis excluding sales of low value tincal ore.
- Projects for the installation of the borax pentahydrate plant at Tincalayu and process improvement changes at the boric acid plant near completion.
- Expansion Studies for the increase of production at Tincalayu to commence in Q2 with a scope of 100-120ktpa borax decahydrate equivalent production.
- Focus remains on the product and market diversification strategy and production optimisation projects.
- Competitiveness improved by devaluation of the AR\$ and removal of export duties on refined borax products and mineral concentrates.

Corporate

- Argentine Congress approved a deal to settle with hold out bond holders, resolving an issue that has isolated Argentina from international financial markets. US President Barack Obama visited Argentina in March and signed a Trade and Investment Framework Agreement.



*Includes lithium carbonate tonnes recovered from within tanks in the purification circuit (187 Tonnes in the March Quarter).



High Purity Lithium Carbonate (post purification circuit prior to drying)

Olaroz Lithium Facility [For more information on Olaroz please click here](#)

The Olaroz Lithium Facility is Orocobre's flagship project located in the Jujuy province of Argentina. Together with partners, Toyota Tsusho Corporation (TTC) and Jujuy Energia y Minería Sociedad del Estado (JEMSE), Orocobre is now operating the first large scale lithium brine plant commissioned in approximately 20 years.

The Olaroz Lithium Facility joint venture is operated through Argentine subsidiary Sales de Jujuy SA (SDJ SA). The effective equity interests are: Orocobre 66.5%, TTC 25.0% and JEMSE 8.5%.

Production Update & Guidance

During the March quarter 2,332 tonnes of lithium carbonate product was produced. This is an increase of 1,224 tonnes on the previous quarter. Production in Q2 is forecast to be approximately 3,000 tonnes.

Rectification of construction defects and removal of bottlenecks at the plant, as well as installation of additional boiler capacity, direct steam injection, centrifuges and acid washing systems was completed in January at an approximate cost of US\$8 million as previously advised. The focus is now on improvements in operating practice, plant optimization, process controls and creating redundancy in

various circuits. As previously advised, achieving monthly nameplate production run rate is forecast to be achieved in September 2016 subject to the achievement of the aforementioned objectives.

Operating cash cost breakeven was achieved in January.



Drying Circuit in "BEPEX" Area

Brine Inventory

At the end of the quarter, brine inventory was approximately 39,000 tonnes of lithium carbonate equivalent (LCE).



Polishing filters now used post centrifuges.

Sales Orders

Commercial shipments of lithium carbonate continue to be dispatched from the Olaroz Lithium Facility to Europe, Asia and the USA. Normal production is sold as either battery, technical or industrial grade products and sold into the chemicals manufacturing, industrial and battery sectors. “In process” material (recovered from within tanks in the purification circuit) is sold to plants in China for further processing. Commercial dispatches of high purity product commenced to battery market customers during the quarter and additional customers will be supplied in Q2.

The inventory level of lithium carbonate held at any given time is minimal (approximately 2 weeks production). There is a lag between production of product and the sale being recorded as each export order needs to have a vessel booked, a document bundle produced (including bill of lading and commercial invoice) and be transported to the port.



Bagging station and inventory in BEPEX dry area

Market Conditions

Prices in recent times have been steadily increasing and are expected to be an average of over US\$7,500/tonne FOB¹ in Q2 with further increases expected as we move further into CY2016. Strong market demand and supply side constraints are resulting in continued upward pressure on market prices for lithium carbonate. Customer demand is in excess of CY16 production forecast. The market is likely to be out of balance in 2016 and heavily dependent upon new hard rock entrants delivering on forecast for CY16.

Expansion Study for Olaroz

An expansion study to evaluate a potential stage 2 expansion of 17,500 tpa is scheduled to commence in Q2 with potential development from CY17. The CAPEX cost is anticipated to be 40% (per tonne capacity) less than the establishment CAPEX for Stage 1 (i.e. a total estimated CAPEX of ~US\$140m). The inclusion of lithium hydroxide is to be considered.

(¹Net of agency fees, international freight and insurance)

Drilling planned for Cauchari

Further drilling of Cauchari is planned for Q3 2016 with a view to define a larger resource and conduct pumping tests. Cauchari is immediately south of the Olaroz plant, with an inferred resource 470Kt LCE, 1.6Mt KCL & 122Kt B. Cauchari has potential for incremental production to feed into manufacturing facilities at Olaroz.



Brine collection pond for Olaroz northern borefield

MOU for Development of Lithium Hydroxide Plant

In November the Company signed a Memorandum of Understanding (MOU) with Bateman Advanced Technologies (BAT) a subsidiary of Tenova S.p.A. a worldwide supplier of advanced technologies, products and engineering services.

BAT has developed world leading proprietary technology for the production of lithium salts including lithium hydroxide directly from brines.

The BAT process named LiSX[™] is expected to facilitate the production of lithium hydroxide for a cost that is targeted to be in the bottom quartile of current lithium hydroxide producers.

The MOU sets out the basis on which the parties have agreed to jointly work together in a staged process towards the development and ultimate commissioning of a large scale lithium hydroxide plant capable of producing between 15,000 tpa to 25,000 tpa of lithium hydroxide monohydrate directly from brine (concentrated or otherwise) utilising proprietary technology developed or enhanced by BAT.

During this first stage BAT has been operating its Mini Pilot Plant, located at the premises of BAT in Israel, with the objective of better refining the design parameters of a pilot plant to be located at an Orocobre site. Tenova-Bateman has just finished the continuous run of the lithium solvent extraction test. During April 2016 the scrubbing and stripping test will be undertaken. In parallel, membrane test work is undertaken in order to optimize operation parameters. The electrolysis of the lithium sulfate solution obtained from the LiSXTM process is then completed. The Company expects a draft performance report of the first stage at the end of April.

At the end of each stage Orocobre will make an assessment as to whether or not to proceed to the next stage. For further details please refer to the Company's announcement "MOU for development of Lithium Hydroxide Plant", 13 November, 2015.

Borax Argentina

Borax Argentina has extensive operations and a fifty year production history, producing borax chemicals, boric acid and boron minerals. Production currently comes from the principal mines at Tincalayu and Sijes with concentrators at both locations and chemical plants at Tincalayu and Campo Quijano producing refined products.

Production Optimisation Projects Completed

The relocation of the pentahydrate manufacturing plant to Tincalayu and the augmentation of the borax decahydrate plant are due for completion in April, on time and materially on budget. This project will consolidate the production of decahydrate and pentahydrate in the same location, allow for a 100 tpd production rate of borax decahydrate (up from the current 70tpd), provide lower production costs per unit for both decahydrate and pentahydrate and also open up options to export finished product directly from Tincalayu to international markets via Chilean ports.

The changes to the flow sheet of the boric acid plant at Campo Quijano are on track for completion in May. These changes will improve efficiencies and manufacturing throughput by 20% and make the plant more suitable for processing hydroboracite ores. The boric acid plant and the borax anhydrous manufacturing will remain at Campo Quijano.

In conjunction with these projects there was also a production efficiency review implemented in Q1 CY2016. This has also resulted in initiatives to significantly improve performance at the Sijes concentrator.

Tincalayu Expansion Study

An expansion study to evaluate a potential expansion of the Tincalayu refined borates operation from its current production capacity of 30,000 tpa to 100-120,000 tpa is scheduled to commence in Q2 CY2016. It is anticipated that the scale of this expansion will further enhance efficiencies in the production of refined borates at Tincalayu and contribute to an improved manufacturing cost per unit. This study will include the work on the gas pipeline already undertaken.

Market Conditions

Borax Argentina has been experiencing some challenging market conditions as a result of the economic recession in Brazil, historically its largest market, and soft market conditions in Argentina, its second largest market. As previously advised, the downturn has resulted in downward pressure on market prices for all borate products and this has been coupled with increased competition from other producers. Although these conditions fundamentally remain in Brazil there have been some positive results from efforts to diversify the product and market offering in Brazil with sales of recently developed products to new customers. Although changes in product mix, downward pressure on market prices and increased costs of production in USD experienced as a result of the managed ARS exchange rate has put significant pressure on gross margins, the recent free float of the currency has had a positive impact on earnings at Borax Argentina during the quarter.

Sales and Market Development

The sales and market development is focused on product and market diversification and reinforcing positions with “home market” customers based on sound value propositions including leveraging Borax Argentina’s geographic position and the benefits of shorter lead times to assist customers in managing supply risk.

Operations

Approximately 8,006 tonnes of combined products were sold during the quarter. This is a decrease of 2,072 tonnes on the previous quarter and a decrease of 976 tonnes on the same quarter last year (8,981 tonnes) on a comparable basis excluding sales of low value tincal ore. The result reflects the decline in Brazilian demand, tempered somewhat by sales to other markets.

There were no tonnes of tincal sold this quarter.

Combined Product Sales Volume by Quarter*

<u>Previous Year Quarters</u>		<u>Recent Quarters</u>	
<i>June 2014</i>	<i>9,558</i>	<i>June 2015</i>	<i>8,061</i>
<i>September 2014</i>	<i>8,304</i>	<i>September 2015</i>	<i>8,124</i>
<i>December 2014</i>	<i>8,745</i>	<i>December 2015</i>	<i>10,078</i>
<i>March 2015</i>	<i>8,981</i>	<i>March 2016</i>	<i>8,006</i>

**Combined product sales volumes include borax chemicals, boric acid and boron minerals and does not include sales of tincal ore of 4,021 tonnes in September 2014 quarter, 4,225 tonnes in the December 2014 quarter and 2,061 tonnes in June 2015 quarter.*

For the quarter, Borax Argentina returned to being operationally EBITDA positive.

Positive Impacts of Government Policy Changes

The recent Argentine Government policy changes resulting in the removal of export taxes and the devaluation of the currency has had a positive impact on the Borax Argentina business. Through the devaluation in the AR\$ operating unit costs in US\$ terms have been reduced and the removal of the 5% export duty on refined products and 10% on mineral concentrates enhances revenue. Combined, these impacts will improve competitiveness.

Argentine Government Policy Changes

Since taking power in December 2015 the business friendly government of President Mauricio Macri has quickly implemented economic reforms to address economic imbalances and deepen Argentina's integration with the global economy. Exchange and currency controls have been lifted and the government has moved to eliminate taxes on most agricultural exports and a range of other exports. The new government held its first formal meeting with holdout bond holders on January 13, 2016, and reached agreements with the major holdouts on February 29, 2016. The Argentine Congress approved the agreement on March 31, 2016, thus resolving an issue that has effectively kept Argentina out of international financial markets. The Argentine government is now proceeding with a new bond issue of US\$12.5b.

In late March President Obama made the first bilateral visit to Argentina by a U.S. President in almost two decades. Argentina and the United States subsequently signed a Trade and Investment Framework Agreement, which recognized the role of trade and private investment, both domestic and foreign, in furthering growth and creating jobs. The agreement will facilitate dialogue on a broad range of issues, including intellectual property, market access, and cooperation on agricultural matters, as well as collaboration on shared objectives in the World Trade Organization. The United States and Argentina committed to work together to expand global trade including working to expand bilateral trade and resolve outstanding market access issues in agriculture and across the full range of products and services. This agreement opens the way for the possible incorporation of Argentina into the Trans-Pacific Partnership and the future agreement of a trade deal between the US and Mercosur/Argentina.

Corporate and Administration

Cash/Credit

Unrestricted cash on hand (i.e. cash not committed to a Standby Letter of Credit (SBLC)) at the end of the quarter was A\$49.8m from a corporate perspective and A\$49.3m from a group perspective (taking into account a Borax Argentina net overdraft of A\$0.5m). SDJ SA had available facilities of US\$2.5m based on a security exchange rate of AR\$14.45/US\$1. At the time the market value was AR\$14.7/US\$1.

Finance

The effect of the Argentine government's policy changes as detailed below continued to result in a positive impact on various areas of the business. Since the removal of the 'dollar clamp' and allowing the AR\$ to float freely in December 2015 the AR\$ has devalued ~49% to 31 March 2016 and ~12.6% for the quarter. With the devaluation, the US\$ value of AR\$ costs has significantly decreased resulting in operating cost reductions. The elimination of export taxes on almost all agricultural and industrial products, specifically removing the 5% export duty on lithium carbonate and refined boron products and 10% on mineral concentrates is also a direct benefit. For SDJ SA the devaluation of the peso allows the working capital facility guaranteed by US\$ SBLCs to be significantly increased. At the end of the quarter the security value of the SBLC was at a rate of AR\$14.45/US\$1

During the quarter the JV partners funded US\$12m as shareholder loans and US\$0.85m as equity into SDJ SA. Such funds were used for the March finance repayment. As stated in the prior quarter ended December 2015, TTC provided US\$9m funding to SDJ SA of which US\$6.75m was an advance on behalf of Orocobre. US\$6.75m (plus interest) was repaid during the quarter.



Zero Accident Policy

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 has built, in partnership with Toyota Tsusho Corporation and JEMSE, the first large-scale, greenfield brine based lithium project in 20 years at the Salar de Olaroz with planned production of 17,500 tonnes per annum of low-cost battery grade 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 will result in low cut-off grades, which will maximise resource recovery.*
- The process route is designed with a zero liquid discharge design. All 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 freshwater 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 fresh water consumption of <20 l/s, which is low by industry standards.

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.

The Company continues to follow the community and shared value policy 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 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 community and shared value policy continues to be a key success factor, training local people under the supervision of high quality experienced professionals.

For further information please contact:

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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 projects is available on the Company’s website in “Technical Report – Salar de Olaroz Lithium-Potash Project, Argentina” dated May 30, 2011, (the Olaroz Report), the “Technical Report – Salinas Grandes Project” dated April 30, 2010 and the “Technical Report – Salar de Cauchari Project, Argentina” dated April 30, 2010, respectively, which

have each been prepared by John Houston, Consulting Hydrogeologist, together with, in the case of the Olaroz Report, Mike Gunn, Consulting Processing Engineer, in accordance with NI 43-101.

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 may include, but is not limited to, the completion of commissioning, the commencement of commercial production and ramp up of the Olaroz Lithium Facility and the timing thereof, the cost of construction relative to the estimated capital cost of the Olaroz Lithium Facility, the meeting of banking covenants contained in project finance documentation, the design production rate for lithium carbonate at the Olaroz Lithium Facility, the expected brine cost and grade at the Olaroz Lithium Facility, the expected operating costs at the Olaroz Lithium Facility and the comparison of such expected costs to expected global operating costs, the estimation and conversion of exploration targets to resources at the Olaroz Lithium Facility, the viability, recoverability and processing of such resources, the potential for an expansion at the Olaroz Lithium Facility, the capital cost of an expansion at the Olaroz Lithium Facility; the future performance of the relocated borax plant and boric acid plant, including without limitation the plants estimated production rates, financial data, the estimates of mineral resources or mineralisation grade at Borax Argentina mines, the economic viability of such mineral resources or mineralisation, mine life and operating costs at Borax Argentina mines, the projected production rates associated with the borax plant and boric acid plant, the market price of borate products whether stated or implied, demand for borate products and other information and trends relating to the borate market, taxes including recoveries of IVA, royalty and duty rate and the ongoing working relationship between Orocobre and the Province of Jujuy, TTC and Mizuho Bank.

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; that further funding may be required, but unavailable, for the ongoing development of the Company’s projects; fluctuations or decreases in commodity prices and market demand for product; 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 commissioning and ramp up of the Olaroz Lithium Facility to full capacity; unexpected capital or operating cost increases; uncertainty of meeting anticipated program milestones at the Olaroz Lithium Facility; general risks associated with the further development of the Olaroz Lithium Facility; general risks associated with the operation of the borax plant or boric acid plant; a decrease in the price for borates resulting from, among other things, decreased demand or an increased supply of borates or substitutes, as well as those factors disclosed in the Company’s Annual Report for the year ended June 30, 2015 filed at 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.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/2010.

Name of entity

OROCOBRE LIMITED

ABN

31 112 589 910

Quarter ended ("current quarter")

31 MARCH 2016

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	5,597	21,006
1.2	Payments for (a) exploration and evaluation	(78)	(253)
	(b) development		
	(c) production	(5,254)	(23,426)
	(d) administration	(3,497)	(10,991)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	773	1,321
1.5	Interest and other costs of finance paid	(277)	(1,508)
1.6	Income taxes paid		
1.7	Other – Foreign exchange profit	66	1,311
Net Operating Cash Flows		(2,670)	(12,540)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a)prospects	-	-
	(b)equity investments		
	(c)Payment for subsidiary net of cash acquired	(849)	(8,072)
	(d) other fixed assets	(1,666)	(3,341)
1.9	Proceeds from sale of: (a)prospects		
	(b)equity investments		
	(c)other fixed assets	-	-
1.10	Loans to other entities	(102)	(725)
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)		
Net investing cash flows		(2,617)	(12,138)
1.13	Total operating and investing cash flows (carried forward)	(5,287)	(24,678)

1.13	Total operating and investing cash flows (brought forward)	(5,287)	(24,678)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	85,375	117,825
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	-	4,362
1.17	Repayment of borrowings	(77)	(408)
1.18	Dividends paid		
1.19	Other: Joint venture funding	(22,103)	(49,573)
	Cost of Share Issue	(3,219)	(4,641)
	Net financing cash flows	59,976	67,565
	Net increase (decrease) in cash held	54,689	42,887
1.20	Cash at beginning of quarter/year to date (Note)	49,494	56,177
1.21	Exchange rate adjustments to item 1.20	(7,073)	(1,954)
1.22	Cash at end of quarter	97,110	97,110

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	312
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities – Borax Argentina Plant relocation	655	655
3.2	Loan facilities- Borax Argentina productive assets including the expansion of the boric acid plant	2,577	2,577

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	80
4.2	Payment to other Entities	-
4.3	Production	5,200
4.4	Administration	3,000
4.5	Capex	-
	Total	8,280

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank – Note 1	58,413	49,979
5.2	Deposits at call –Note 2	39,191	-
5.3	Bank overdraft – Note 3	(494)	(485)
5.4	Other		
	Total: cash at end of quarter (item 1.22)	97,110	49,494

Note 1:- Included in the A\$58,413 are deposits of A\$47,840 related to the Company issuing Standby Letters of Credit (SBLC's) on behalf of the joint venture company SDJ SA. Such SBLCs have been provided due to a working capital requirement for SDJ SA, which has arisen principally due to delays in the production start up. A SBLC allows Orocobre to provide working capital to SDJ SA by depositing funds in US\$ and AR\$ as security in a restricted term deposit. This allows a SBLC to be issued which in turn allows SDJ SA to draw down funds in Argentina from a bank, to the equivalent AR\$ (peso) value. The SBLCs issued in Australia and Argentina in effect guarantees the line of credit or bank overdraft provided in Argentina. Net funds available after SBLCs and overdrafts are A\$49,270.

Note- 2 The deposits at call relate to US Dollar deposits held by Orocobre Ltd.

Note 3:- The bank overdraft is related to the Company's subsidiary Borax Argentina SA.

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			

Appendix 5B
Mining exploration entity quarterly report

	Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
6.2 Interests in mining tenements acquired or increased				
6.2 Interests in mining tenements acquired or increased (cont'd)				

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities (description)				
7.2 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	209,479,867	209,479,867		
7.4 Changes during quarter				
(a) Increases through issues	250,000	250,000	\$1.50	\$375,000
	25,350,551	25,350,551	\$2.10	\$53,236,157
	15,125,639	15,125,639	\$2.10	\$31,763,842
(b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter				
(a) Increases through issues				
(b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
Unlisted Options	550,000	Nil	\$1.50	30 Nov 2016
Unlisted Options	200,000	Nil	\$1.50	31 May 2018
Unlisted Options	100,000	Nil	\$2.53	1 Oct 2017
Performance Rights				
Performance Rights	420,609	Nil	Nil	30 Sept 2016
Performance Rights	160,658	Nil	Nil	31 Aug 2016
Performance Rights	456,590	Nil	Nil	31 Aug 2017
Performance Rights	794,762	Nil	Nil	31 Aug 2018
7.8 Issued during quarter				
Performance Rights	794,762	Nil	Nil	31 Aug 2018
Performance Rights				
7.9 Exercised during quarter	250,000	Nil	\$1.50	31 Jul 2017
7.10 Options Expired/lapsed during quarter				

7.11	Debentures <i>(totals only)</i>		
7.12	Unsecured notes <i>(totals only)</i>		

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Joint Company Secretary)

Date: 15 April 2016

Print name: Neil Kaplan

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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Appendix 5B

Schedule of Tenements

Tenement Name	Tenement Number	Area (Hectare s)	Orocobre Interest	Location of Tenement s
Olaroz				
	1842-S-12	2988.17	66.5%	Argentina
	1274-P-2009	5972	66.5%	Argentina
	131-I-1986	100	66.5%	Argentina
	039-M-1998	98.4	66.5%	Argentina
	112-S-04	100	66.5%	Argentina
	117-A-44	100	66.5%	Argentina
	114-S-44	100	66.5%	Argentina
	40-M-1998	100	66.5%	Argentina
	029-M-1996	100	66.5%	Argentina
	126-T-44	100	66.5%	Argentina
	393-M-44	98.4	66.5%	Argentina
	112-D-44	299.94	66.5%	Argentina
	125-S-44	100	66.5%	Argentina
	319-T-2005	1473.97	66.5%	Argentina
	056-L-1991	300	66.5%	Argentina
	519-L-2006	2000	66.5%	Argentina
	520-L-2006	1896.52	66.5%	Argentina
	521-L-2006	2000	66.5%	Argentina
	522-L-2006	2000	66.5%	Argentina
	147-L-2003	1927.92	66.5%	Argentina
	724-L-2007	3336.19	66.5%	Argentina
	725-L-2007	2940.11	66.5%	Argentina
	726-L-2007	2889.98	66.5%	Argentina
	727-L-2007	3117.26	66.5%	Argentina
	728-L-2007	3182.35	66.5%	Argentina
	503-L-2006	6200	66.5%	Argentina
	943-R-2008	563.98	66.5%	Argentina
	1136-R-2009	1199.34	66.5%	Argentina
	1137-R-2009	1195.97	66.5%	Argentina
	944-R-2008	432.3	66.5%	Argentina
	1134-R-2009	895.70	66.5%	Argentina
	1135-R-2009	1098.64	66.5%	Argentina
	963-R-2004	1194.84	66.5%	Argentina
	964-R-2008	799.84	66.5%	Argentina
	945-R-2008	428.08	66.5%	Argentina
Cauchari				
	259-R-2004	494.4	85%	Argentina
	260-R-2004	444.26	85%	Argentina

Tenement Name	Tenement Number	Area (Hectare s)	Orocobre Interest	Location of Tenement s
	948-R-2008	887.56	85%	Argentina
	949-R-2008	1770.51	85%	Argentina
	950-R-2004	1997.09	85%	Argentina
	1155-P-2009	1500	85%	Argentina
	968 R 2008	703.34	85%	Argentina
	1081 P 2008	1995	85%	Argentina
	1.119-P-2009	2493.07	85%	Argentina
	1082 P 2008	1468	85%	Argentina
	1101 P 2008	2483.9	85%	Argentina
	966 R 2008	117.37	85%	Argentina
	965 R 2008	1345	85%	Argentina
	951-R-2008	795	85%	Argentina
	1083 P 2008	1445.68	85%	Argentina
	1.118-P-2009	2395.70	85%	Argentina
	1130-P-2009	1239.96	85%	Argentina
	952-R-2008	487.58	85%	Argentina
	1084 P 2008	1526.78	85%	Argentina
	1156-P-2009	66.17	85%	Argentina
	1086 P 2008	1716.63	85%	Argentina
	1085 P 2008	1197.90	85%	Argentina
Jujuy				
	148-Z-1996	300	85%	Argentina
	817-I-2007	1142.55	85%	Argentina
	1098 P 2008	645.26	85%	Argentina
	1099 P 2008	1393.48	85%	Argentina
	1120 P-2009	2499	85%	Argentina
	1.125 -P-2009	2429.25	85%	Argentina
	1.121-P-2009	2222	85%	Argentina
	1.122 -P-2009	2498.48	85%	Argentina
	1.123 -P-2009	1250.58	85%	Argentina
	1124-P-2009	2499	85%	Argentina
	1129 P- 2009	2300	85%	Argentina
	604-T-2006	500	85%	Argentina
	788-M-2007	1162	85%	Argentina
	183-Z-2004	494	85%	Argentina
	184-D-1990	100	85%	Argentina
Salta				
	19391	2411.97	85%	Argentina
	18199	500	85%	Argentina
	67	100	85%	Argentina
	18834	495.82	85%	Argentina
	17734	200	85%	Argentina

Tenement Name	Tenement Number	Area (Hectare s)	Orocobre Interest	Location of Tenement s
	60	100	85%	Argentina
	1110	100	Nil-earning	Argentina
	1104	100	85%	Argentina
	13699	100	85%	Argentina
	18808	100	85%	Argentina
	266	100	85%	Argentina
	18183	2778	85%	Argentina
	12970	100	85%	Argentina
	19891	100	85%	Argentina
	62	100	85%	Argentina
	17681	400	85%	Argentina
	44	100	Nil-earning	Argentina
	8170	300	85%	Argentina
	1107	100	Nil-earning	Argentina
	18481	97.04	85%	Argentina
	1112	100	85%	Argentina
	13487	100	85%	Argentina
	14329	100	85%	Argentina
	57	100	85%	Argentina
	68	100	85%	Argentina
	17538	95.43	85%	Argentina
	14589	100	85%	Argentina
	18924	300	85%	Argentina
	18925	99.94	85%	Argentina
	19206	869	85%	Argentina
	11577	100	85%	Argentina
	11578	100	85%	Argentina
	11579	100	85%	Argentina
	11580	100	85%	Argentina
	1111	100	85%	Argentina
	18833	270	85%	Argentina
	17321	186	85%	Argentina
	53	100	85%	Argentina
	19742	2490.07	85% T	Argentina
	19744	2499.97	85% T	Argentina
	19766	2488.09	85% T	Argentina
	19768	2987.09	85% T	Argentina
	48	100	85%	Argentina
	203	100	85%	Argentina
	204	100	85%	Argentina
	54	100	85%	Argentina
	63	100	85%	Argentina

Tenement Name	Tenement Number	Area (Hectare s)	Orocobre Interest	Location of Tenement s
	50	100	85%	Argentina
	1105	100	85%	Argentina
	65	100	85%	Argentina
	70	100	85%	Argentina
	206	100	85%	Argentina
	86	300	85%	Argentina
	17744	500	85%	Argentina
	18533	97.03	85%	Argentina
	17580	100	85%	Argentina
Diablillos				
	1190	99.65	85% (Colorado SA has an usufruct for 40 years: i) over the solid borates and ii) over the gold, copper, silver and molybdenum)	Argentina
	18009	99	85% (Colorado SA has an usufruct for 40 years: i) over the solid borates and ii) over the gold, copper, silver and molybdenum)	Argentina
	18010	200	85% (Colorado SA has an usufruct for 40 years: i) over the solid borates and ii) over the gold, copper, silver and molybdenum)	Argentina
	1187	99.7	85%(Colorado SA has an usufruct for 40 years: i) over the solid borates and ii) over the gold, copper, silver and molybdenum)	Argentina
	1189	100	85% (Colorado SA has an usufruct for 40 years: i) over the solid borates and ii) over the gold, copper, silver and molybdenum)	Argentina
	1177	100	85% (Colorado SA has an usufruct for 40 years: i) over the solid borates and ii) over the gold, copper, silver and molybdenum)	Argentina
Tincalayu				
	1271	300	100%	Argentina
	1215	300	100 % (Galaxy Lithium has an usufruct on the brines)	Argentina
	1495	200	100 % (Galaxy Lithium has an usufruct on the brines)	Argentina
	7772	471	100%	Argentina
	5596	300	100 % (Galaxy Lithium has an usufruct on the brines)	Argentina
	5435	300	100%	Argentina
	8529	900	100%	Argentina
	13572	647	100%	Argentina
	13848 (Diana)	100	100 % (Galaxy Lithium has an usufruct on the brines)	Argentina
	17335 (Valerio)	274,32	100 % (Galaxy Lithium has an usufruct on the brines)	Argentina
Sijes				
	8587	799	100%	Argentina
	11800	488	100%	Argentina

Tenement Name	Tenement Number	Area (Hectares)	Orocobre Interest	Location of Tenements
	11801	400	100%	Argentina
	11802	3399	100%	Argentina
	14801	8	100%	Argentina
	14121	10	100%	Argentina
	5786	200	100%	Argentina
Pozuelos				
	1208	194	Lithea Inc (Borax has usufruct over the borates)	Argentina
	5569	300	Lithea Inc (Borax has usufruct over the borates)	Argentina
	4959	200	Lithea Inc (Borax has usufruct over the borates)	Argentina
	13171	200	Lithea Inc (Borax has usufruct over the borates)	Argentina
	13172	200	Lithea Inc (Borax has usufruct over the borates)	Argentina
Ratones				
	62066	300	Potasio y Litio Argentina S.A. (Borax has usufruct over the borates)	Argentina
	3843	300	Potasio y Litio Argentina S.A. (Borax has usufruct over the borates)	Argentina
Cauchari				
Boroquímica Group – File No. 90-B-1994	394	300	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	336	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	347	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	354	160	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	340	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	444	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	353	300	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	350	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	89	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	345	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	344	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	343	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	352	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	351	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	365	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	122	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina

Tenement Name	Tenement Number	Area (Hectare s)	Orocobre Interest	Location of Tenement s
	221	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	190	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	116	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	117	300	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	389	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	306	24	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	402	119	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	195	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	220	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	259	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	43	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	341	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	42	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	438	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	160	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	378	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	339-C	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	377-C	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina
	191-R	100	100% (Exar (LAC) has the usufruct over the brines)	Argentina

Diablillos

Diablillos Group – File No. 11.691	1175	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
	1176	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
	1164	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
	1172	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
	1165	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	
	1166	100	100% (Potasio y Litio de Argentina S.A. has	Argentina
			an usufruct on the brines)	
	1179	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
	1180	200	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
	1182	100	100% (Potasio y Litio de Argentina S.A.	Argentina

		has an usufruct on the brines)	
1195	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines) Argentina	Argentina
1206	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
1168	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
1163	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
1167	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
1170	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
1174	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
1171	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
7021	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
1181	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
12653	200	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
1173	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
1169	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
1178	100	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina
12652	200	100% (Potasio y Litio de Argentina S.A. has an usufruct on the brines)	Argentina