

ASX / TSX ANNOUNCEMENT

27 April 2017

Phase 1 Drilling to commence at Cauchari, Argentina

Orocobre Limited (ORE:ASX, ORL:TSX) (**Orocobre** or the **Company**) is pleased to provide an update from its joint venture (JV) partner Advantage Lithium Corp (TSXV:AAL) (Advantage Lithium) that Phase One drilling will commence early next week at its flagship lithium property, located in the Cauchari Salar of Jujuy province in NW Argentina. Phase one will be a five hole program and Phase two drilling is planned for later in 2017, comprising a further 12 holes and leading to a scoping study by early 2018.

Advantage Lithium is increasing its interest in the project from the current 50% to 75% through the expenditure of US\$5m or by completing a Feasibility Study. Orocobre holds the remaining interest.

The Cauchari project lies approximately 20 kilometres south of Orocobre's producing Olaroz Lithium facility.

Highlights

- Phase One drilling: a five hole rotary drill program scheduled to begin during the week commencing 1 May, 2017
- Phase Two drilling: A follow-up, twelve hole diamond drill program to commence later in 2017
- Drilling will focus on potential extensions of the existing inferred resource at Cauchari and exploration where no previous drilling has been conducted. A large exploration target¹ has been defined with a range of 125 to 1,855 million cubic metres of brine at between 260 and 600mg/l lithium and 2,500 to 5,350mg/l potassium for the lower and upper ranges¹ respectively; this represents an in-situ range of contained product of between 0.25 to 5.6mt of lithium carbonate equivalent (LCE) and 0.9 to 19 mt of potash (KCl).

Commenting on the update, Managing Director Richard Seville stated, "We are extremely pleased with this progress update from our JV partner Advantage Lithium and their commitment to fast-tracking exploration and development works at Cauchari."

Please see the attached release from Advantage Lithium for further details.

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Notes:

1. An exploration target is not a mineral resource. The potential quantity and grade of the exploration target is conceptual in nature, and there has been insufficient exploration to define a Mineral Resource in the volume where the Exploration Target is outlined. It is uncertain if further exploration drilling will result in the determination of a Mineral Resource in this volume.

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 chemicals and 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 approximately 20 years at the Salar de Olaroz with planned production of 17,500 tonnes per annum 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 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. This fresh 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.

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.

The Company also wholly-owns Borax Argentina, an important regional borate producer.

For further information, please visit www.orocobre.com

Competent Person's and Qualified Person's Statement

The technical information in this announcement has been prepared by Murray Brooker of Hydrominex Geoscience. Murray Brooker is a geologist and hydrogeologist and is a Member of the Australian Institute of Geoscientists. Murray 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 by Canadian Securities Administrators' National Instrument 43-101. Murray Brooker consents to the inclusion in this announcement of this information in the form and context in which it appears.

Additional information relating to the Company's Cauchari project is available in the existing technical report entitled "Technical Report – Cauchari Project, Argentina" dated April 30, 2010, which was prepared by John Houston.

Caution Regarding Forward-Looking Information

This report contains "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information contained in this report may include, but is not limited to, the estimation and realization of resources at the Cauchari project, the viability, recoverability and processing of such resources, potential operating synergies between the Cauchari project and the Olaroz project, and other matters related to the development of the Cauchari project.

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 that further funding may be required, but unavailable, for the ongoing development of the Company's projects; changes in government regulations, policies or legislation; fluctuations or decreases in commodity prices; the possibility that required permits may not be obtained; uncertainty in the estimation or economic viability of mineral resources; general risks associated with the feasibility and development of the Cauchari project; unexpected capital or operating cost increases; uncertainty of meeting anticipated program milestones; as well as those factors disclosed in the Company's Annual Information Form for the year ended June 30, 2016 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 Company's ability to carry on its exploration and development activities, the timely receipt of required approvals, the prices of lithium and potash, the ability of the Company to operate in a safe, efficient and effective manner and the ability of the Company to obtain financing as and when required and on reasonable terms. 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.



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NEWS RELEASE

Advantage Lithium Mobilizes Rig for Phase 1 Drilling at Cauchari, Argentina

Drilling represents first step in systematic, fast-track exploration and development program

Vancouver, British Columbia, April 26, 2017 – Advantage Lithium Corp. (the “Company” or “Advantage Lithium”) (TSXV: AAL; OTCQX: AVLIF) is pleased to announce that a drill rig will be mobilized later this week to its flagship lithium property located in the Cauchari Salar of Jujuy province in NW Argentina. The first hole of a five-hole, Phase One program is expected to be collared early next week. This marks the Company's first step in a systematic, fast-track exploration and development work program. Phase Two drilling is planned for later in 2017 and will comprise a further twelve holes leading to a scoping study by early 2018. Advantage Lithium is increasing its interest in the project from the current 50% to 75% through the expenditure of US\$5m or completing a Feasibility Study. Orocobre (ASX:ORE; TSX:ORL) holds the remaining interest.

Cauchari News Highlights

- **Phase One drilling:** a five hole rotary drill program scheduled to begin during the week commencing May 1, 2017.
- **Phase Two drilling:** A follow-up, twelve hole diamond drill program to commence later in 2017.
- **Drilling will focus on** (a) potential extensions of the existing inferred resource at Cauchari and (b) exploration where no previous drilling has been conducted. A large exploration target¹ has been defined with a range of 125 to 1,855 million cubic meters of brine at between 260 and 600mg/l lithium and 2,500 to 5,350mg/l potassium for the lower and upper ranges¹ respectively; this represents an in situ range of contained product of between 0.25 to 5.6mt of lithium carbonate equivalent (LCE) and 0.9 to 19mt of potash (KCl).

David Sidoo, CEO of Advantage Lithium, commented, “In line with our aggressive development timeline, we are commencing work at our flagship Argentina project of Cauchari, just weeks after completing the transaction with our partner, Orocobre. We will be focusing on expanding the existing resource at the project where a large exploration target has been projected. We have engaged Andina Perforaciones, one of Argentina’s leading drilling contractors, to undertake the initial phase of what will ultimately be a 17 hole program.”

Cauchari Project Information

- **Existing Inferred Resource:** Host to an inferred resource containing an estimated 230 million cubic metres of brine at ~380 mg/l Li and 3,700 mg/l K. This is equivalent

to 470,000 tonnes of lithium carbonate (~88,000 tonnes lithium metal) and 1.62 million tonnes of potash (KCl – equivalent to ~840,000 tonnes of potassium).

- **Near-Surface.** This initial resource estimate is based on five shallow diamond drill holes to an average depth of 50-170m and open to depth.
- **Exploration Potential.** An exploration target has been defined in the NW blocks of the JV property, in addition to that beneath the original resource estimate in the SE property blocks. The combined exploration target in the Cauchari JV properties both west and east of properties held by Lithium Americas Corp. is defined with a range of 125 to 1,855 million cubic meters of brine at between 260 and 600mg/l lithium and 2,500 to 5,350mg/l potassium for the lower and upper ranges¹ for 0.25 to 5.6mt of lithium carbonate equivalent (LCE) for the lower and upper ranges respectively.
- **Close Proximity to Orocobre's Lithium Facility.** Proximity to Orocobre's Olaroz operation and similarity in brine chemistry provides options for future production alternatives.

Program Details

The initial, Phase 1 drill program scheduled to start next week consists of five rotary drill holes targeting the north-west (NW) and south-east (SE) blocks of the property with a surface area of ~5,500 hectares. These will be deep holes to approximately 400m below the salar surface, with the objective of (1) probing for extensions laterally and to depth below the existing inferred mineral resource in the SE sector and (2) opening a new front in the NW sector which the company believes to be prospective for extensions of lithium-bearing brine below the Archibarca alluvial fan.

Later in 2017, a complementary 12-hole diamond drill (DDH) program will be initiated to provide core for aquifer parameter tests and to also install monitoring holes for pump tests on the primary rotary holes. Additional rotary and/or diamond drill holes will be added as justified by initial results as we proceed towards engineering studies.

Specialized packer instrumentation will be used to collect brine samples for analysis under strict QA/QC protocols monitored by a Qualified Person as required by NI43-101 guidelines. In-hole geophysical profiling and geological logging will provide the basis for determining the most promising aquifer zones for packer tests.

Considerable technical and operating skill is required to successfully complete exploration and brine pumping wells in the unconsolidated sedimentary sequences of the salars and to do so at 4,000m above sea level in a rigorous climatic region with sub-zero winter temperatures. The company is therefore most pleased to have signed a contract and to be working with Andina Perforaciones who have multiple years of practical experience in Cauchari and other salars of NW Argentina. Together with the Company's technical staff and supporting community relations team, the company expects to complete the Phase 1 work program by year-end 2017.

⁽¹⁾ An exploration target is not a mineral resource. The potential quantity and grade of the exploration target is conceptual in nature, and there has been insufficient exploration to define a Mineral Resource in the volume where the Exploration Target is outlined. It is uncertain if further exploration drilling will result in the determination of a Mineral Resource in this volume.

The technical information in this news release has reviewed and approved on behalf of the company by Murray Brooker, MAIG, RPGeo, a "Qualified Person" as defined in NI43-101.

About Advantage Lithium Corp.

Advantage Lithium Corp. is a resource company specializing in the strategic acquisition, exploration and development of lithium properties and is headquartered in Vancouver, British Columbia. The common shares of the company are listed on the TSX Venture Exchange (TSX-V:AAL), and the company is also traded on the OTCQX Best Market in the U.S. (OTCQX: AVLIF). The company has acquired a 100% interest in five projects in Argentina and up to a 75% interest in a sixth, called Cauchari. Cauchari is located just 20 km south of Orocobre's flagship Olaroz Lithium Facility. The Company is also earning an interest from Nevada Sunrise Gold Corp., in a portfolio of five lithium brine projects in the Clayton and Lida Valley regions of Nevada, USA, including 70% in Clayton NE.

Further information about the Company can be found at www.advantagelithium.com.

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Cautionary Statement:

Certain information contained in this press release constitutes "forward-looking information", within the meaning of Canadian legislation. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "is expected", "intends", or "has the potential to". Forward looking statements contained in this press release may include statements regarding the future operating or financial performance of Advantage that involve known and unknown risks and uncertainties which may not prove to be accurate. Actual results and outcomes may differ materially from what is expressed or forecasted in these forward-looking statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. The forward-looking statements included in this press release are made as of the date of this press release and the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.