

MACQUARIE 'AUSTRALIA CONFERENCE'

2 May 2019

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US investors should note that while the Company's reserve and resource estimates comply with the JORC Code, they may not comply with Industry Guide 7, which governs disclosures of mineral reserves in registration statements filed with the US Securities and Exchange Commission ("SEC"). In particular, Industry Guide 7 does not recognise classifications other than proven and probable reserves and, as a result, the SEC generally does not permit mining companies to disclose their mineral resources in SEC filings. You should not assume that quantities reported as "resources" will be converted to reserves under the JORC Code or any other reporting regime or that the Company will be able to legally and economically extract them.

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CAPITAL MARKETS SNAPSHOT

(ASX:ORE, TSX:ORL)

CAPITAL STRUCTURE

(AS AT 29 APRIL 2019)

Shares outstanding 261.7M

Performance Rights and
Options Outstanding 0.9M

Cash Balance (31/3/19) US\$266M

Share price ASX/TSX A\$3.27/C\$3.17

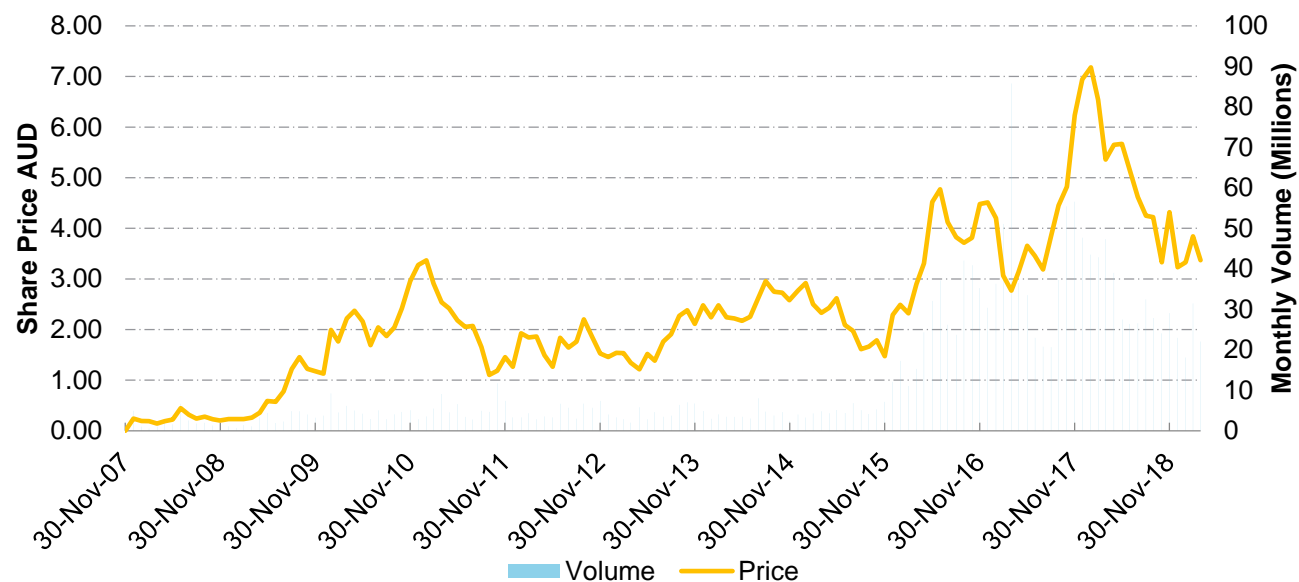
Market capitalisation A\$856 Million
US\$603 Million

52 week share price range:

ASX A\$2.91–A\$6.40

TSX C\$2.74–C\$5.95

SHARE PRICE



SHAREHOLDERS

Toyota Tsusho 15.0%

BNY Mellon 5.1%

Executives and Directors ~3.3%

Institutions, Banks and Brokers ~56%

RECORD MARCH QUARTER PRODUCTION

Highest March quarter of production achieved to date despite rainfall exceeding same period in 2017 / 2018 and lower evaporation rates

Sales de Jujuy Joint Venture (Olaroz)

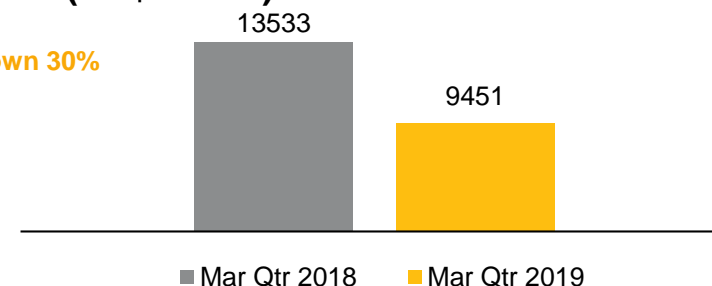
- Production of 3,075 tonnes during March quarter, up 10% on the previous corresponding period (PCP) following pond preparation and a strategy of managing brine quality
- March quarter revenue of US\$33.4 million on sales of 3,530 tonnes
- Sales price in March quarter of US\$9,451 / tonne FOB¹, down 11% from the December quarter due to both direct and indirect impacts of China's prolonged market softness
- March quarter cost of sales of US\$4,193 / tonne² and strong gross cash margin of US\$5,258 / tonne (or 56% margin)
- Stage 2 expansion continues with new ponds, infrastructure etc.
- FID approval for the Naraha Lithium Hydroxide project announced April 2019

Orocobre

- Orocobre corporate cash balance at 31 March 2019 of US\$265.7 million, and Orocobre Group net cash of US\$192.9 million

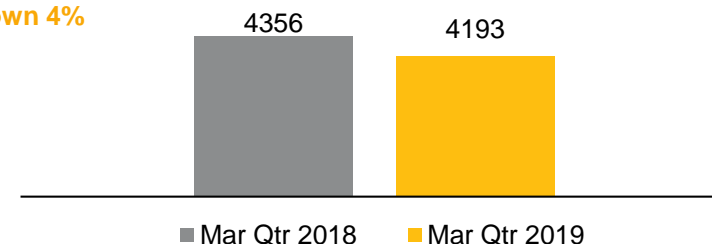
Price (US\$/tonne)

Down 30%



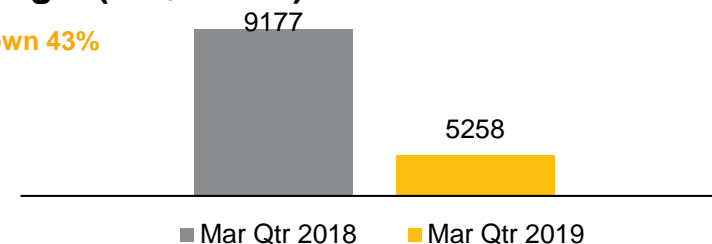
Cost of sales (US\$/tonne)

Down 4%



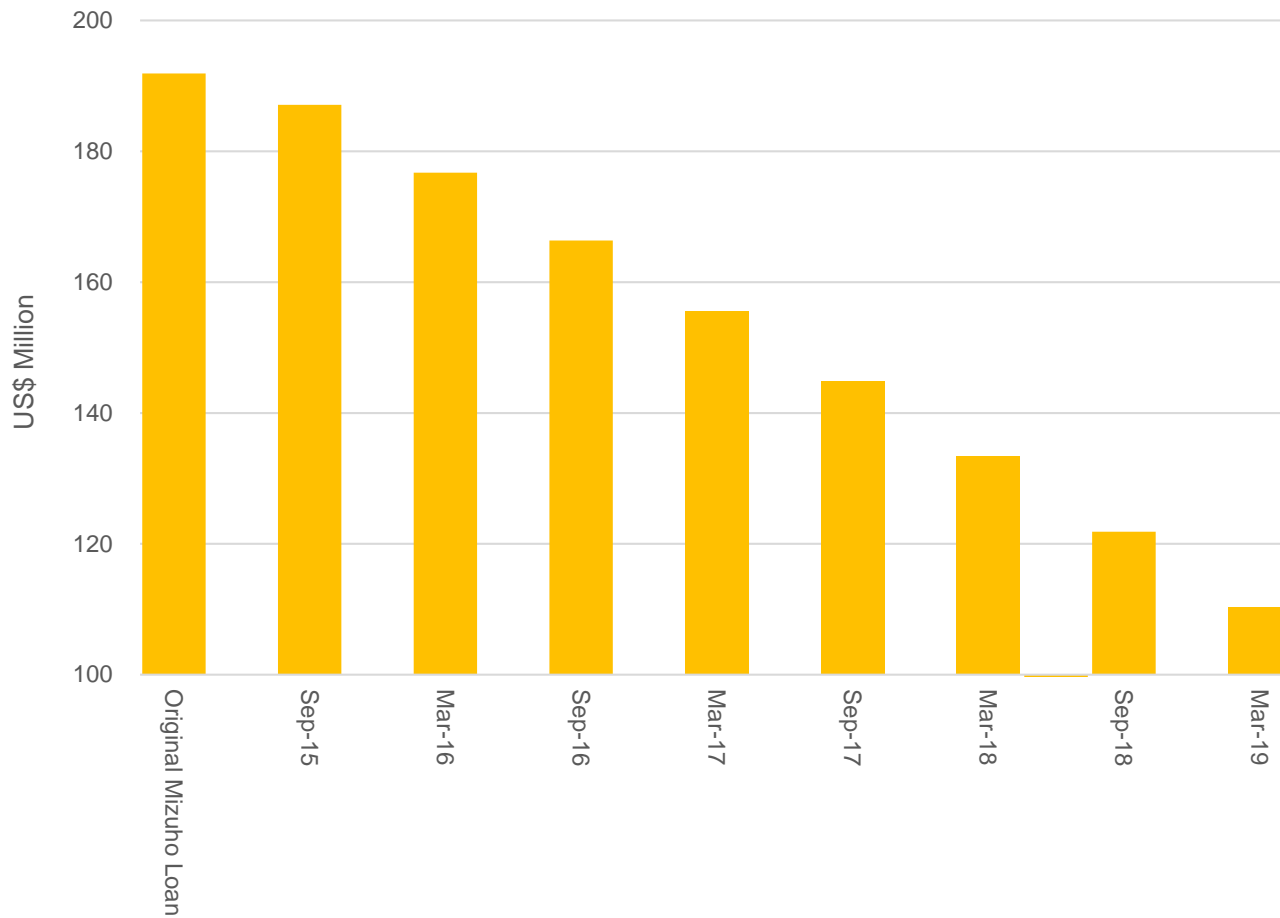
Margin (US\$/tonne)

Down 43%



REDUCING PROJECT DEBT

Olaroz Project Facility (100%)



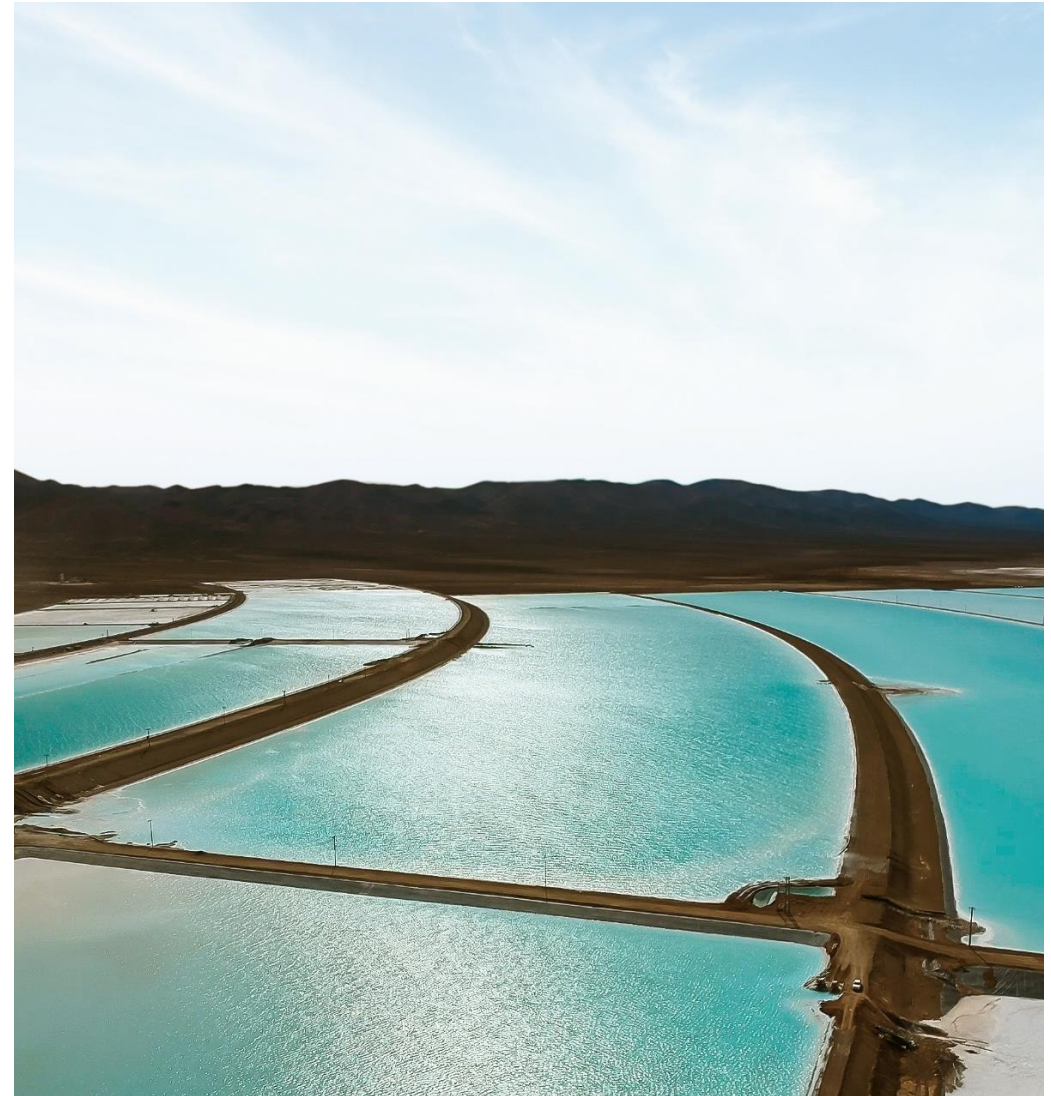
- ~US\$82 million principal of the Project Debt (43% reduction) repaid
- Project Debt balance now ~US\$110 million
- Project Debt repayments scheduled every six months to September 2024
- Project Debt incurs a low average interest rate of ~4.25%

OPERATIONAL REVIEW



VISION: BE A WORLD CLASS SUPPLIER OF LITHIUM CHEMICALS

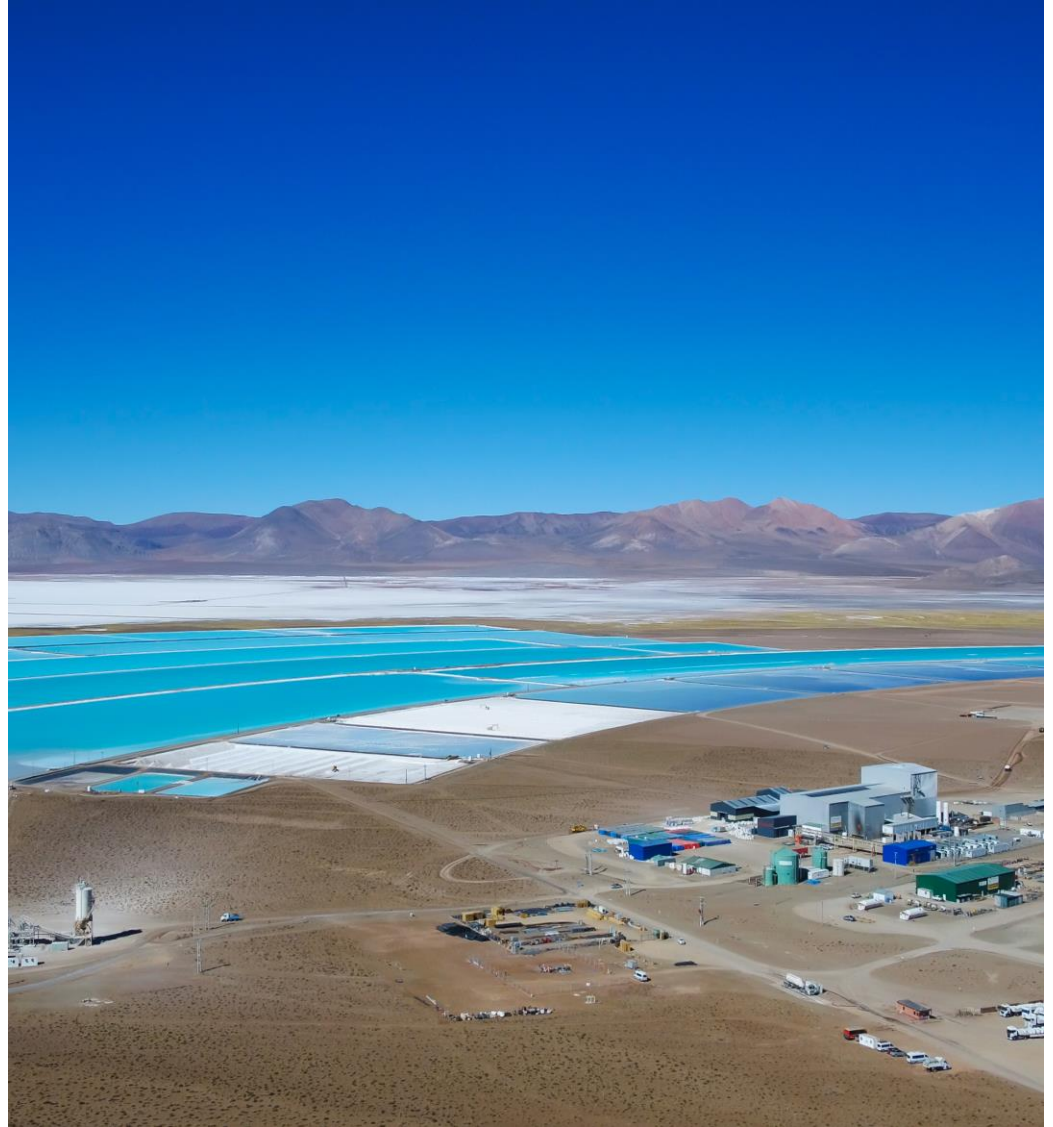
- What is World Class?
 1. Cost leadership
 2. Built-in quality
 3. Process Innovation
- Orocobre has all the key attributes:
 - Access to quality brine resources
 - Cost effective process technology
 - Strong team on site
 - Expansion potential
 - Right joint venture and strategic partners in place
 - Access to capital, key financial agreements in place



BUILDING ON THE ACHIEVEMENTS OF THE PAST

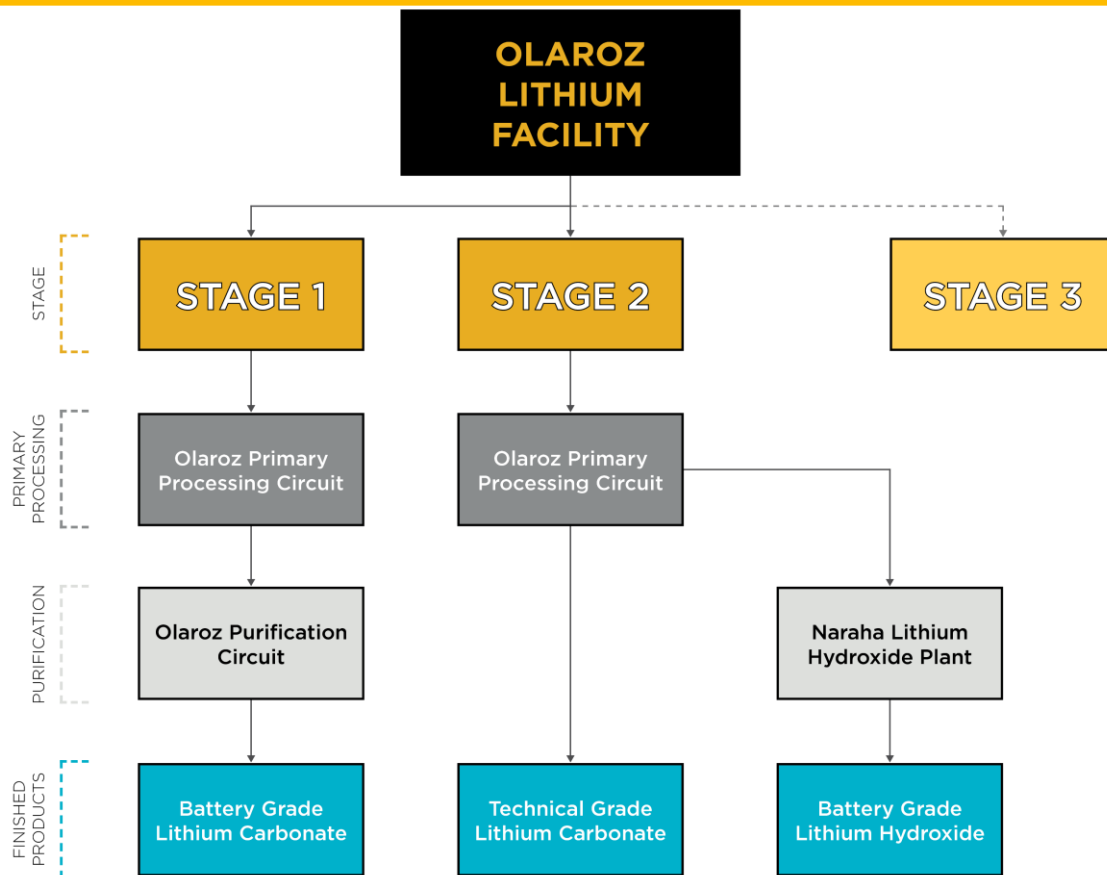
- An operational review is underway with an emphasis on key areas of:
 - Safety
 - Quality
 - Productivity
- Existing strategic initiatives remain the focus:
 - Production from Stage 1 – quality, productivity, long term customer relations
 - Expansion – timing and budget
 - Naraha Lithium Hydroxide Plant
 - Basin understanding – resource definition and development
- Aim to improve management bandwidth and capability
- Opportunity to develop better organisational capability

Improvements in these areas will deliver better results on costs, customer satisfaction and shareholder value



GROWTH PROJECTS

STAGE 2 DIVERSIFIES PRODUCTION STRATEGY



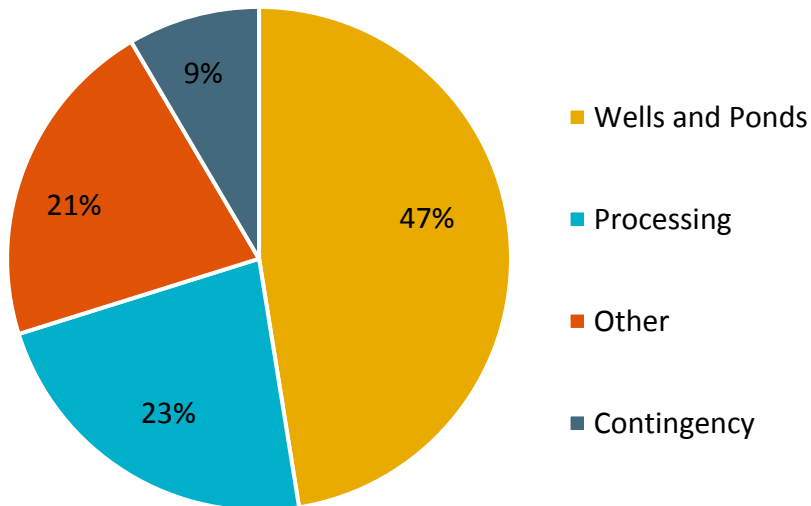
- Stage 2 Expansion underway with construction of new roads, new evaporation and harvest ponds, secondary liming plant and eight boreholes (currently four drilling rigs onsite with two more contracted to start mid-May)
- US\$29 million had been spent on the first phase of expansion activities as of 31 March 2019



POND CAPACITY GROWING AHEAD OF PRODUCTION

- Total new pond areas of approximately 9km², increasing pond system to >13km²
- Six new harvest ponds (16A, 16B, 17A, 17B, 18A, 18B) now operational with two new harvest ponds (R11, R12) completed during the March quarter
- Two new evaporation ponds (15A, 15B) are now operational with construction of three new evaporation ponds (14C, 20A, 21A) underway as of 31 March

Stage 2 CAPEX



NARAHA LITHIUM HYDROXIDE PLANT

NARAHA FID APPROVED

- **Orocobre will hold a 75% economic interest** in the project with operations to be managed by TTC
- Construction is expected to commence during H1 CY19 with commissioning to commence during H1 CY21
- Veolia has been selected as the Engineering - Procurement - Construction contractor



- **Operating costs** (excluding primary grade lithium carbonate feedstock) are estimated at **approximately US\$1,500/tonne**
- 10,000 tpa Naraha Lithium Hydroxide Plant which will deliver premium product at premium pricing:
 - Provides product diversification suitable for different battery technologies
 - Ownership to match current Olaroz ownership proportions (excluding JEMSE)
 - Potential for significant margin growth on primary Li_2CO_3 converted to LiOH .
- Majority of production is expected to be delivered to the Japanese battery industry
- Sales of lithium hydroxide will be managed by TTC as exclusive sales agent under a similar joint marketing arrangement to that operating for lithium carbonate from the Olaroz Lithium Facility

NARAHHA LITHIUM HYDROXIDE PLANT

CAPITAL COSTS

- **Total capital costs** ~JPY8.6 billion (**US\$77.6 million**, excluding VAT)
- **Funding of JPY10.1 billion (US\$91.1 million)** provides a significant buffer
- Japanese government subsidy of JPY3 billion (US\$27.1 million¹) which will reduce **net capital costs** to JPY5.6 billion (**US\$50.5 million¹**, excluding VAT)

Term Loan	JPY6.1 billion	US\$55.0 million ¹
Subsidy Bridge Loan	JPY3.0 billion	US\$27.1 million ¹
Equity	JPY1.0 billion	US\$9.0 million ¹
Total	JPY10.1 billion	US\$91.1 million¹

FINANCING

- Naraha Lithium Hydroxide Plant will be funded through a combination of JPY9.1 billion (US\$82.1 million¹) of term / bridging loans and JPY1.0 billion (US\$9.0 million¹) of shareholder equity
- Orocobre will contribute JPY750 million (US\$6.8 million¹) equity and TTC will contribute JPY250 million (US\$2.3 million¹)
- Subsidies of approximately US\$27 million have been secured from the Japanese government
- Two project loans have been provided by Japanese banks at **effective interest rates of <1%**. All of the financing is non-recourse to Orocobre
- In addition, a JPY0.8 billion (US\$7.2 million¹) VAT Bridging Loan has been established to cover the period between VAT payment and VAT refunds on project expenditure

ADVANTAGE LITHIUM / CAUCHARI JV

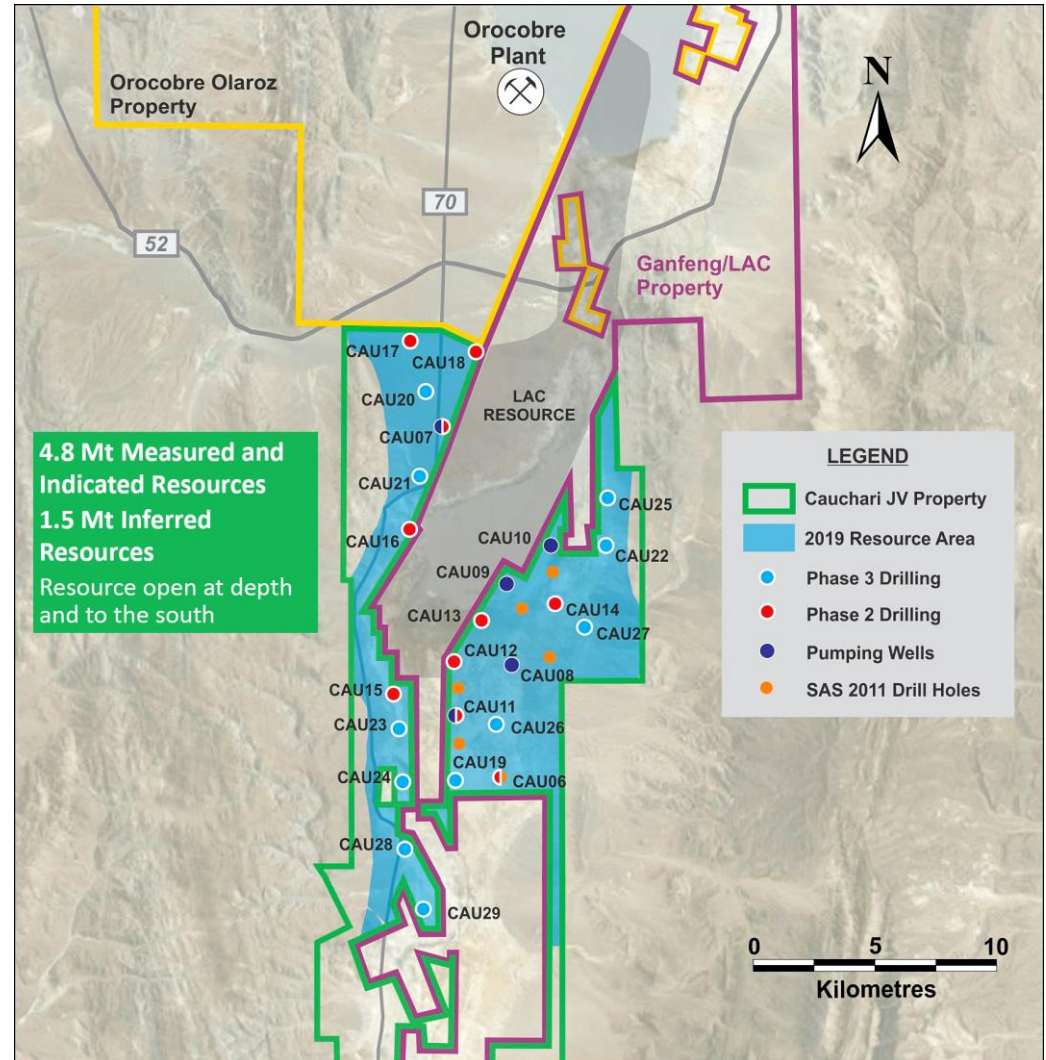
ADVANTAGE LITHIUM (AAL)

- Orocobre hold ~33.5% of AAL issued shares and 25% directly in the Cauchari joint venture

CAUCHARI PROJECT (25% ORE, 75% AAL)

- Updated resource estimate has more than doubled to **4.8 Mt of lithium carbonate equivalent of Measured and Indicated Resources** and **1.5 Mt of Inferred Resource**
- WorleyParsons to complete Pre-Feasibility Study and independent NI 43-101 Technical Report
- Multiple processing options are being considered

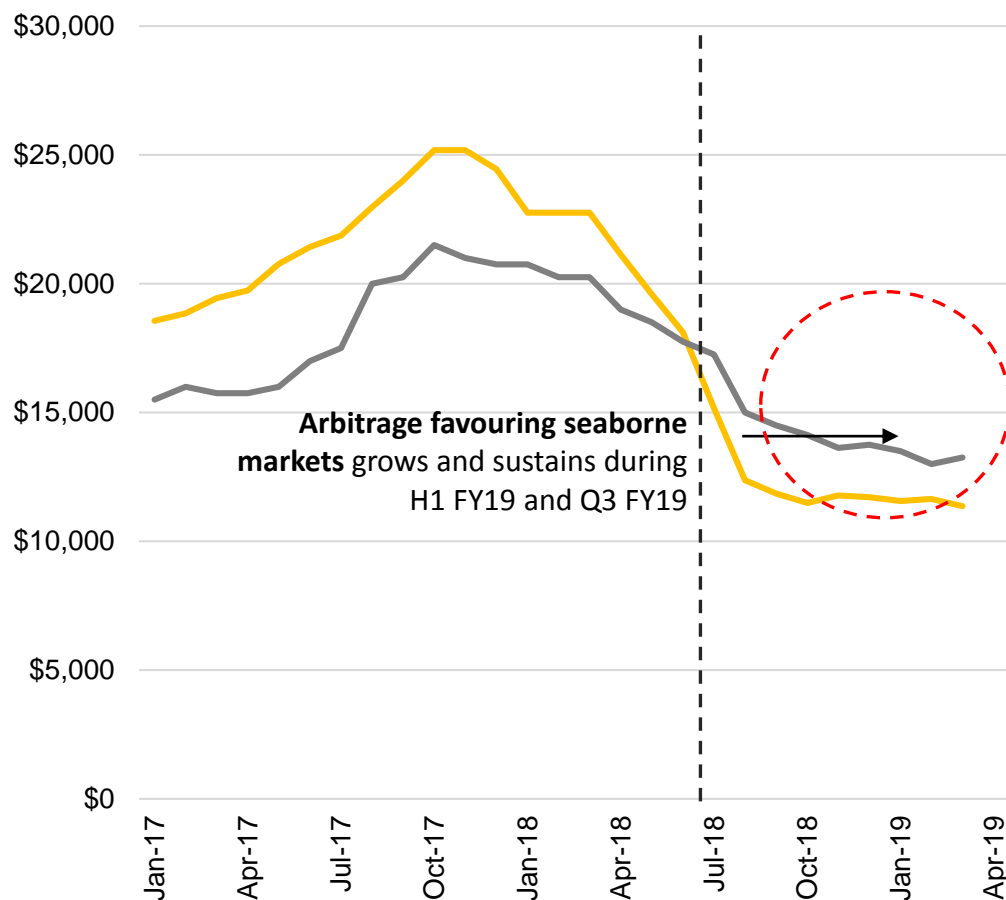
Significant drilling has been completed with excellent results



MARKETS

WEAK CHINA DOMESTIC PRICES ENCOURAGES GROWTH IN CHINESE EXPORTS

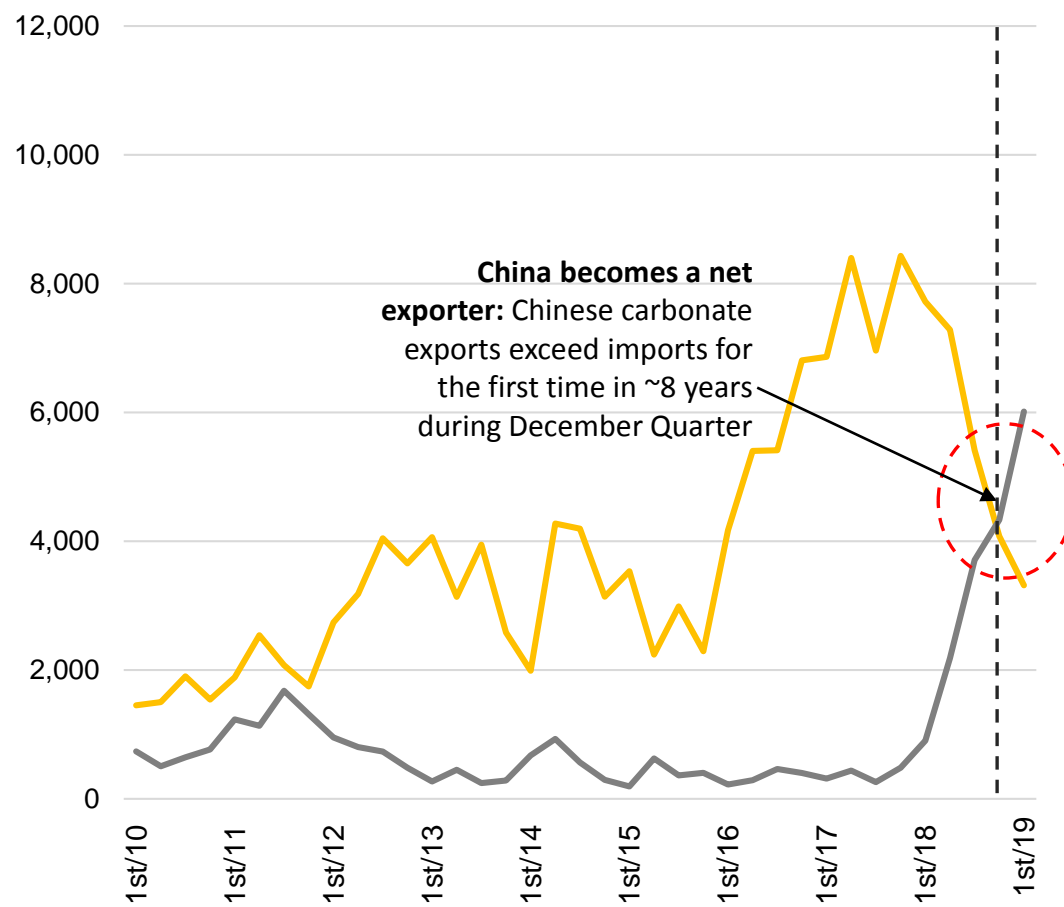
China Domestic Carbonate
Market Price versus Seaborne Market (USD/t)



— Ex-Works China incl. VAT (Asian Metals)

— CIF Asia (Benchmark Minerals)

Chinese Carbonate Imports/Exports (LCE t)

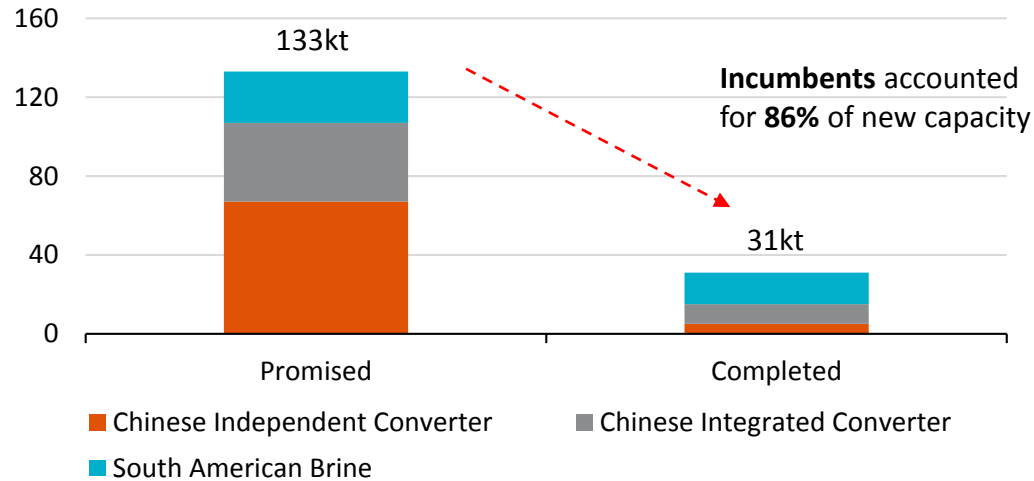


— Imports — Exports

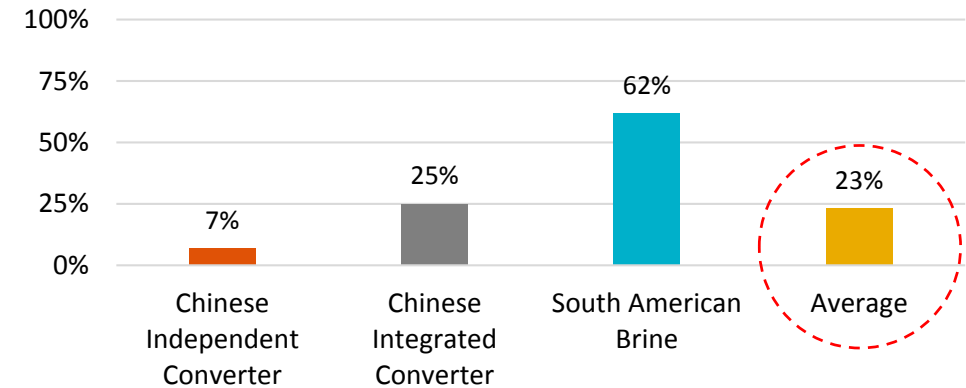
2018 EXPANSIONS – PROMISED vs COMPLETED

INCUMBENTS ACCOUNTED FOR 78% OF NEW CAPACITY

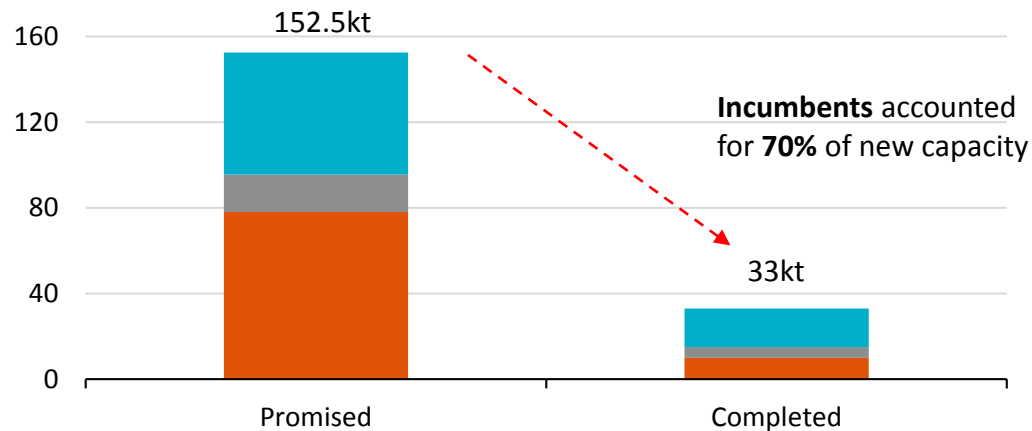
**Promised versus Completed
Hydroxide Expansions 2018 (kt)**



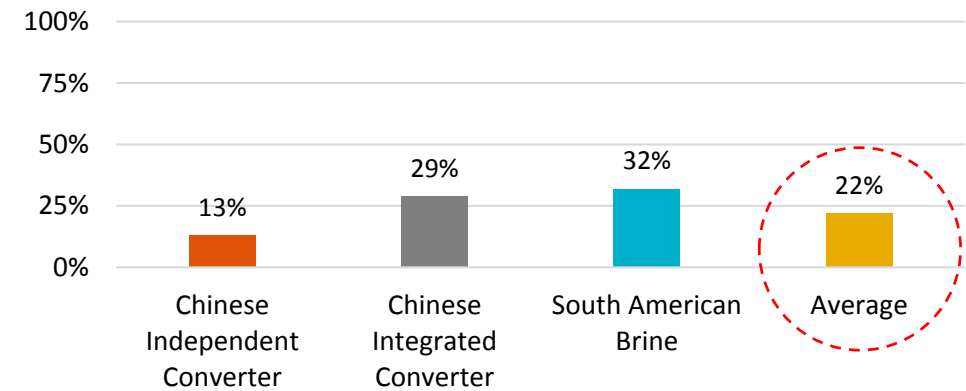
**Capacity Delivery Rate
(Completed/Promised)**



**Promised versus Completed
Carbonate Expansions 2018 (kt)**



**Capacity Delivery Rate
(Completed/Promised)**

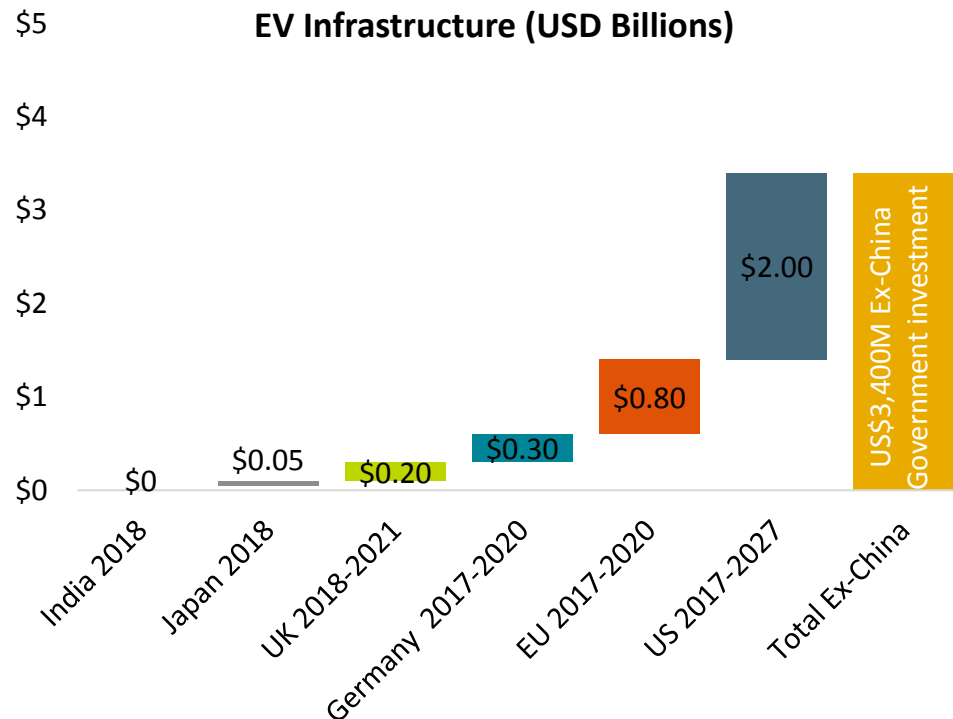


INCREASING GOVERNMENT & AUTO INVESTMENT

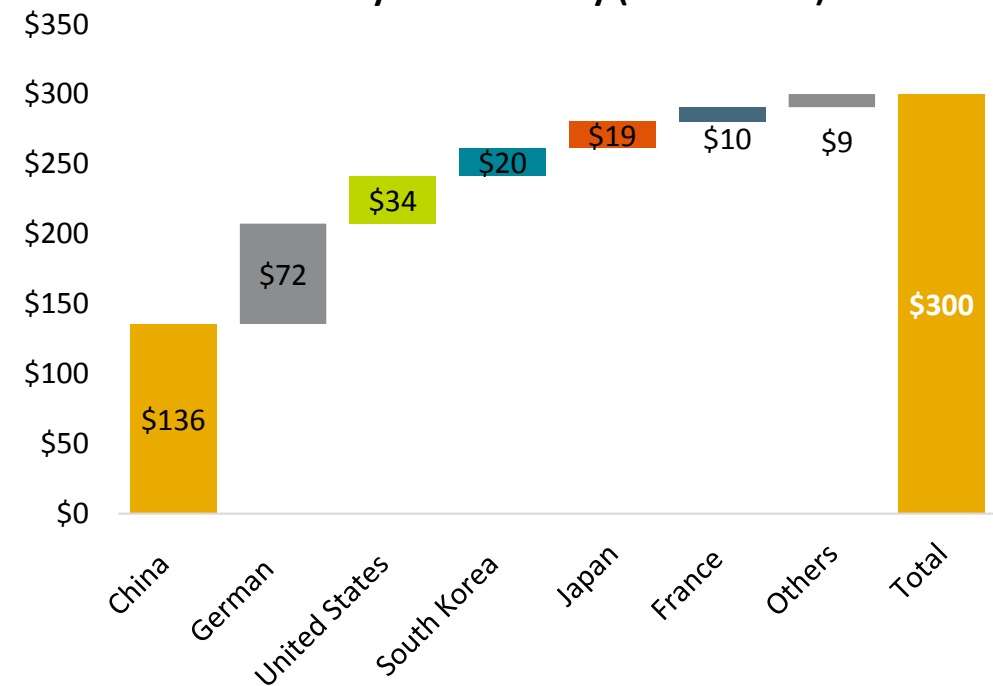
- Ex-China Governments have announced spend of ~US\$3,400M on EV Infrastructure
- China has committed to providing charging and grid infrastructure necessary to meet their target of 3 million NEV sales by 2020
- Chinese government spend on infrastructure yet to be quantified

- Global automakers have committed to US\$300 billion investment in the development and procurement of battery and EV-related technology
- Estimates represent investment and procurement budgets made public over the past two years (Jan 2017 - Jan 2019) by 29 of the world's top automakers, based primarily in the United States, China, Japan, Korea, India, Germany and France

Planned Government Investment in EV Infrastructure (USD Billions)



Automaker Investment in Battery & EV Industry (USD Billions)



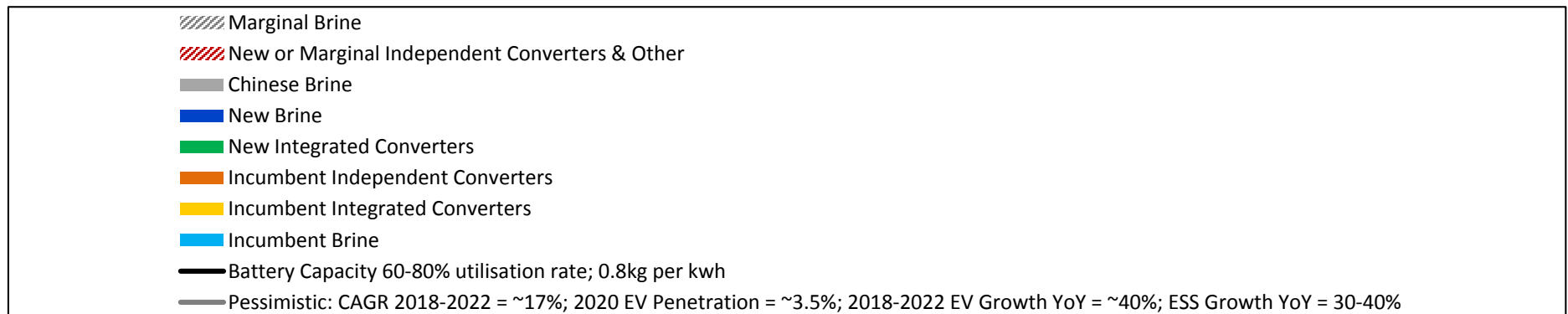
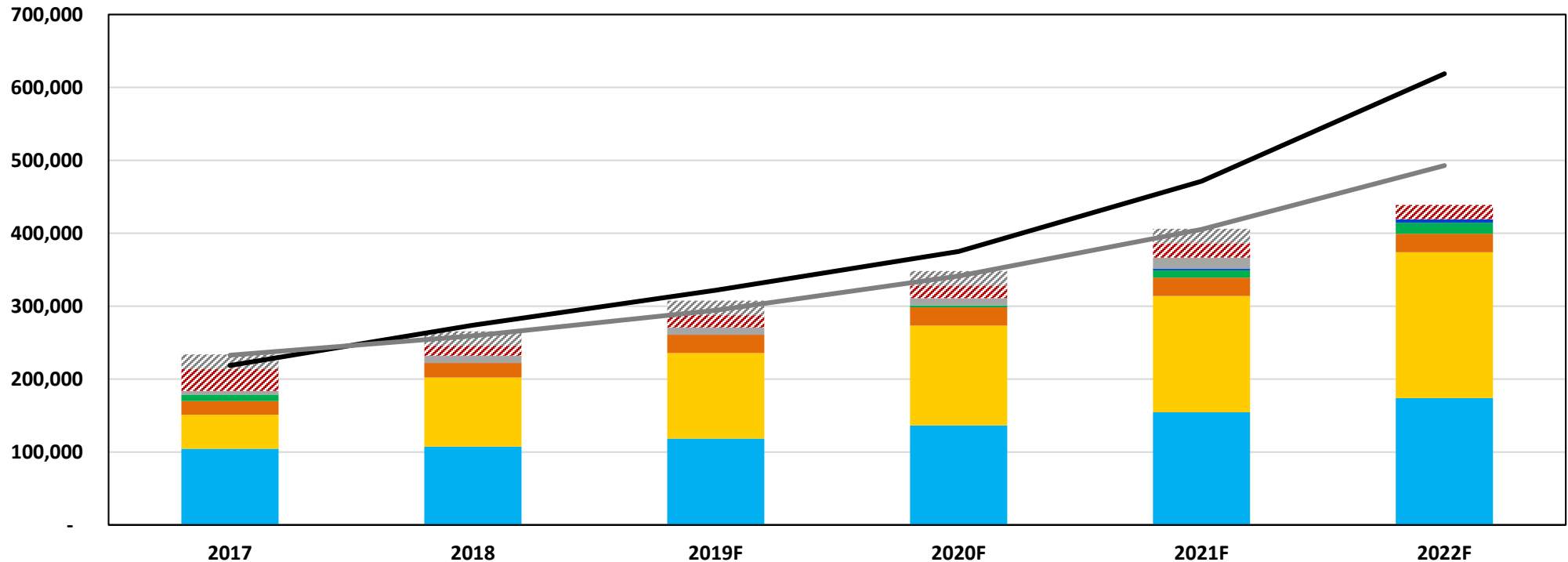
Sources:

Automaker Investment – Reuters - <https://www.reuters.com/article/us-autoshow-detroit-electric-exclusive/exclusive-vw-china-spearhead-300-billion-global-drive-to-electrify-cars-idUSKCN1P40G6>

Planned Government Investment – International Energy Agency 2018 EV Outlook, Bloomberg, Goldman Sachs

OROCOBRE VIEW ON LITHIUM MARKET

Orocobre Supply & Demand Forecast (LCE t)



SUMMARY

Best March quarter production to date

Olaroz remains a low cost, high margin producer with Olaroz gross margins of 56%¹

Growth projects fully funded:

- **Olaroz Stage 2 Expansion underway**
 - **10,000 tpa Naraha Lithium Hydroxide Plant to be built in Japan**
-

FY19 production to be similar to FY18

Lithium chemical prices are lower than previous periods but long term fundamentals remain intact

Further staged expansions to grow Olaroz production into the future





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