Consolidated Financial Report

For the half-year ended 31 December 2020

Orocobre Limited ABN 31 112 589 910

orocobre.com

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CORPORATE INFORMATION

DIRECTORS

Non-Executive Chairman
Mr. Robert Hubbard

Managing Director & CEO
Mr. Martín Pérez de Solay

Non-Executive Directors
Mr. Richard Seville
Mr. John Gibson, Jr
Mr. Fernando Oris de Roa
Mr. Federico Nicholson
(retired 30 November 2020)
Ms. Leanne Heywood
Mr. Masaharu Katayama
Ms. Patricia Martinez
(appointed 1 December 2020)

Joint Company Secretary
Mr. Neil Kaplan
Mr. Rick Anthon

COMPANY

Orocobre Limited
ACN 112 589 910

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CANADA

Your Directors submit the financial report of the consolidated group for the half-year ended 31 December 2020.

DIRECTOR'S REPORT

The following persons were Directors of the Company during the half-year and at the date of this report:

- R. Hubbard (Non-Executive Chairman)
- M. Pérez de Solay
- J. W. Gibson
- L. Heywood
- F. Oris de Roa
- Mr F. Nicolson (retired 30 November 2020)
- P. Martinez
- M. Katayama
- R. P. Seville

SAFETY AND COVID-19

Olaroz

Orocobre strongly believes safety is the foundation to improved productivity, quality and financial results. As such, health and safety remains a key priority for the Company.

No Lost Time Injuries (**LTI**) were recorded at Olaroz during the first half of FY21. As at 31st December the operations recorded 342 days without an LTI. Olaroz recorded a TRIFR rate of 2.4 which is down from 3.0 in the previous corresponding period.

Olaroz continues to implement a comprehensive safety culture change plan, born from an exhaustive safety audit conducted by DuPont. The Intelex database for HSE and Quality events management was officially launched during the half. At this stage the system is used extensively by mid-line supervisors and managers. Intelex serves as an event management system following a workflow that allows the team to report, check, classify, investigate, develop corrective and preventive action plans.

During the remainder of the year Olaroz will complete the transition from the current system (SMC) to Intelex. Lagging and key leading indicators have been defined to measure and improve safety and environmental performance and are now tracked through the Intelex database.

The Dupont programs continue to enhance our safety culture and remain a key priority even during the current COVID-19 situation.

Despite COVID-19 related delays, Stage 2 Expansion related activities will materially increase through the remainder of the calendar year. Further measures have been put in place to mitigate the inherently higher risk of safety incidents occurring during the construction phase.

The central safety committee and five subcommittees (training, operational discipline, audit, risk management and incident investigation), established in FY19, continue to make good progress establishing improved 'operating discipline', via specialised operator training programs and more frequent risk assessments.

Borax

Two LTIs were recorded at Borax early in the half, one at Tincalayu and one at Campo Quijano. Following these incidents a safety stand down was implemented at Campo Quijano which allowed the operating team to participate in an extensive safety workshop, which included a review of all critical activities. Additionally, a new Safety Manager and three new experienced supervisors were recruited.

Subsequent to the safety stand down, there have not been any LTI incidents at the three operational Borax sites.

COVID-19

Although COVID-19 was officially declared as a pandemic in Argentina in late March 2020, protective measures enacted by Orocobre delayed the first infections at Olaroz until October (as announced to the ASX on 26 October). In accordance with the Bio-Security Protocol, isolation procedures and contract tracing were conducted. The 35 affected staff were relocated to Jujuy for medical treatment as required and have since recovered and returned to work. Operations were suspended for two days to allow cleaning and rotation of staff.

Daily monitoring of workforce health continues throughout 14-21 day rosters that apply to all personnel and include those employees who would normally reside in local communities. Since July 2020, the SDJ medical service has performed more than 5,200 COVID-19 tests (Serological and PCR).

REVIEW & RESULTS OF OPERATIONS

Group Financial Performance

To assist readers to better understand the financial results of Orocobre, the financial information in this Operating and Financial Review includes non-IFRS unaudited financial information**.**

Summary of results for the half-year ended 31 December 2020

	Group		Olaroz (100%)	
	31 Dec 2020	31 Dec 2019	**31 Dec 2020**	31 Dec 2019
	US $'000	US $'000	**US $'000**	US $'000
Revenue	**35,880**	48,966	**27,020**	39,375
EBITDAIX [1]	**(6,346)**	2,144	**(3,867)**	6,079
Less depreciation & amortisation	**(11,070)**	(8,307)	**(10,802)**	(7,771)
EBITIX [2]	**(17,416)**	(6,163)	**(14,669)**	(1,692)
Less interest	**(12,280)**	(6,178)	**(17,368)**	(11,944)
EBTIX [3]	**(29,696)**	(12,341)	**(32,037)**	(13,636)
Impairment/net realisable value of inventories	**4,987**	(5,890)	**5,614**	(1,063)
Less foreign currency gain/(loss)	**(457)**	(7,691)	**(1,149)**	(5,147)
Less share of associate losses	**(920)**	(639)	**-**	-
Segment (loss)/profit for the half year before tax	**(26,086)**	(26,561)	**(27,572)**	(19,846)
Income tax	**(3,056)**	7,618	**(3,056)**	7,618
Net loss	**(29,142)**	(18,943)	**(30,628)**	(12,228)

1. EBITDAIX - Group earnings before interest, taxes, depreciation, amortisation, impairment and foreign currency gains/(losses), share of associate losses and share of profit from joint ventures'
2. EBITIX - Group earnings before interest, taxes, impairment and foreign currency gains/(losses), share of associate losses and share of profit from joint ventures'
3. EBTIX - Group earnings before taxes, impairment and foreign currency gains/(losses), share of associate losses and share of profit from joint ventures'

These measures are non-IFRS financial information and have not been subject to audit by the Company's external auditor.

	Group		Olaroz (100%)	
	31 Dec 2020	30 Jun 2020	**31 Dec 2020**	30 Jun 2020
Other financial metrics	**US $'000**	US $'000	**US $'000**	US $'000
Cash & cash equivalents	**262,309**	171,836	**13,266**	18,102
Net assets	**784,651**	690,574	**241,773**	271,439
Net tangible asset/share	**2.28**	2.49		

		Olaroz (100%)	
		31 Dec 2020	31 Dec 2019
Key operational results	**Unit of measurement**	**US $'000**	US $'000
Lithium carbonate produced	tonnes	6,079	6,679
Lithium carbonate sold	tonnes	7,738	6,395
Realised lithium carbonate price	US$/tonne	3,492	6,157
Gross cash margin - lithium	US$/tonne	(285)	1,514
Cash cost of sales - lithium carbonate [1]	US$/tonne	3,777	4,643

1. The cash operating costs – lithium carbonate excludes the write back of the 30 June 2020, non cash net realisable value provision relating to finished good inventories (US$5.6m).

Group Profit Overview

The Orocobre Group (the Group) produced a consolidated net loss after tax of US$29.1 million (31 December 2019: loss of US$18.9 million). The net loss after tax includes US$6.6 million of non-cash charges of which net impairment benefit is US$5.0 million (being the release of the provision for the write down of inventories that was booked at 30 June 2020 of US$5.6 million offset by an impairment charge related to Borax of US$0.6 million), offset by foreign exchange losses US$0.5 million, and depreciation US$11.1 million. Interest charges during the half were US$12.3 million including net US$6.6 million of non-cash charges. Group EBITDAIX was negative US$6.3 million.

The net assets of the Group increased to US$784.6 million as at 31 December 2020 (30 June 2020: US$690.6 million), including cash balances of US$262.3 million (30 June 2020: US$171.8 million). The increase in cash balance of US$90.5 million at 31 December 2020 is mainly due to the capital raise of US$119.3 million (net of transaction costs) during the half year.

Group exploration and evaluation expenditure for the half-year totalled US$0.3 million (31 December 2019: US$3.2 million).

Olaroz Performance

Olaroz Lithium facility (**Olaroz**) produced a net loss after tax of US$30.6 million (31 December 2019: loss of US$12.2 million) which included foreign exchange losses of US$1.1 million, depreciation and amortisation of US$10.8 million, interest charges of US$17.4 million which includes US$7.5 million of non-cash charges (which mainly relates to discounting of financial assets and liabilities and the interest charge on the TTC Shareholder loans).

Revenues of US$27.0 million (31 December 2019: US$39.4 million) were generated on sales of 7,738 tonnes of lithium carbonate (31 December 2019: 6,395 tonnes) at an average price of US$3,492/tonne FOB[1] (31 December 2019: US$6,157/tonne).

EBITDAIX loss of US$3.9 million (31 December 2019: US$6.1 million profit) was lower than previous corresponding period predominantly due to weaker market prices. The decrease in sales price by approximately 43% has directly contributed to the negative gross margin of 8% (31 December 2019: 25% gross margin). Cash cost of sales was US$3,777/tonne (31 December 2019: US$4,643/tonne) resulting in a negative gross cash margin of US$285/tonne.

A cost reduction plan commenced during the prior financial year. The execution of such plan resulted in restructuring costs of US$1.2 million (31 December 2019: US$0.4 million) with such restructuring now complete for Olaroz.

Foreign currency losses for the period of US$1.1 million (31 December 2019: US$5.1 million) were largely due to the effect of a 19% devaluation of the Argentine Peso (ARS) against the US Dollar (USD) on the Value Added Tax (VAT) receivables and other net accounts receivables and payables balances which are ARS denominated.

The income tax expense of US$3.1 million (31 December 2019: US$7.6 million benefit) resulted mainly from the revaluation of carried forward tax losses, given the ARS decreased 19% to the USD during the 6 months ended 31 December 2020.

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[1] Orocobre reports price as FOB (Free on Board) which excludes insurance and freight charges included in CIF (Cost, Insurance, Freight) pricing. Therefore, the Company's reported prices are net of freight (shipping), insurance and sales commission. FOB prices are reported by the Company to provide clarity on the sales revenue that is recognised by SDJ, the joint venture company in Argentina.

OLAROZ LITHIUM PROJECT (OROCOBRE 66.5%) – OPERATIONAL UPDATE

The Olaroz Lithium Facility is operated through Sales de Jujuy S.A. (SDJ), a 91.5% owned subsidiary of SDJ PTE, a Singaporean company owned by Orocobre (72.68%) and Toyota Tsusho Corporation (**TTC**) (27.32%). The effective Olaroz Project equity interest is Orocobre 66.5%, TTC 25% and Jujuy Energia y Mineria Sociedad del Estado (JEMSE) 8.5%. The above holdings exclude any look through ownership of the 11.4% holding that TTC has in Orocobre.

In a period of challenging market conditions, Olaroz achieved record sales in terms of quantities sold in H1 FY21 up 88% half on half (**HoH**) and up 21% on the previous corresponding period (**PCP**). Margins for the half were slightly negative at $285/tonne due in particular to the low realised pricing achieved in the September quarter which was affected by sales of excess inventory accumulated in prior months due to COVID-19 restrictions.

The key operational highlight for the half was a 19% reduction in cost of sales to US$3,777/tonne[2] with a product mix of 71% primary and 29% purified lithium carbonate.

Operations

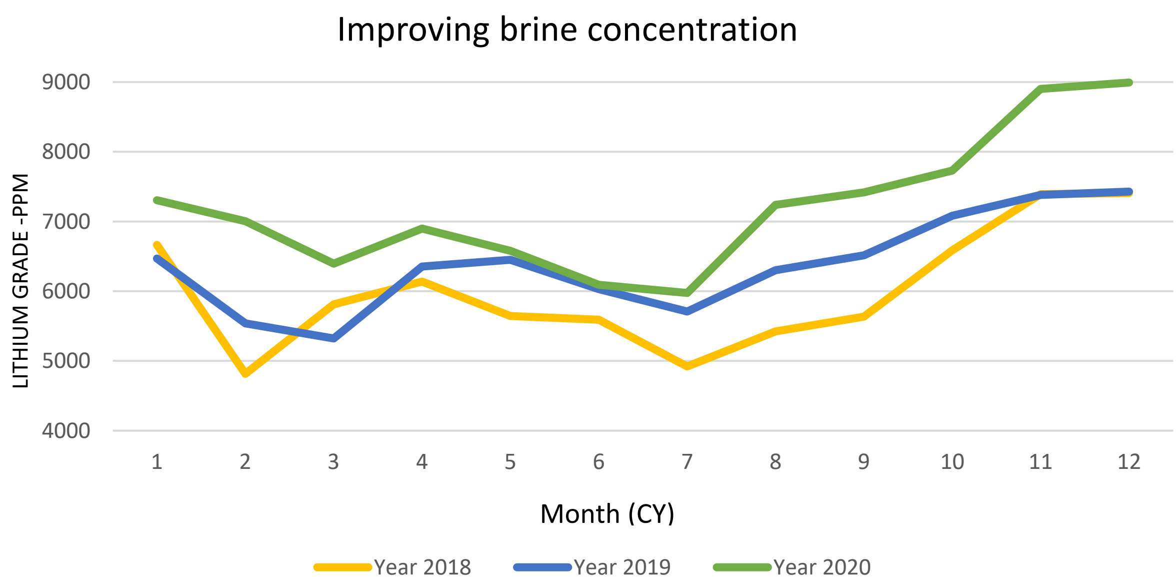
Olaroz is located in the Jujuy Province of northern Argentina, 230 kilometres northwest of the capital city San Salvador de Jujuy. Operations are at an altitude of approximately 3,900 metres above sea level. The first large scale brine-based lithium chemicals facility to be commissioned in approximately 20 years, Olaroz produces high quality lithium carbonate chemicals for both the battery, technical and chemical markets. It is the only brine-based operation in the world with an integrated purification circuit.

Quality

As previously noted, market quality and specification requirements continue to evolve. Continuous improvement and product development have seen a reduction of product impurity levels, changes to product packaging and research on process variations to better meet evolving customer requirements.

Ongoing refinement of the pond management system and brine inventory has provided improved operational resilience with seasonal weather variations. Plant stability and reliability remains very good with improved process capability (CpK). The process capability index or process capability ratio is a statistical measure of process capability which is the ability of a process to produce output within specification limits.

Brine feed concentration to the plant also continues to improve year on year with December quarter concentrations over 8,000 parts per million (ppm) reflecting some seasonal variation, additional pond capacity and strong underlying improvement in pond management practices.



[2] Excludes royalties, export tax and corporate costs

Product quality continues to improve with magnetic particles in final purified products reduced <0.1ppm ensuring that product specifications remain well within requirements for battery grade material.

Despite COVID-19 restrictions, the team continues to implement the Toyota Production System and to take advantage of opportunities for improvement with the Kaizen process. Scheduled maintenance to the carbonate plant was undertaken during July and was completed below budget. This work was completed by internal staff and resources to minimise costs.

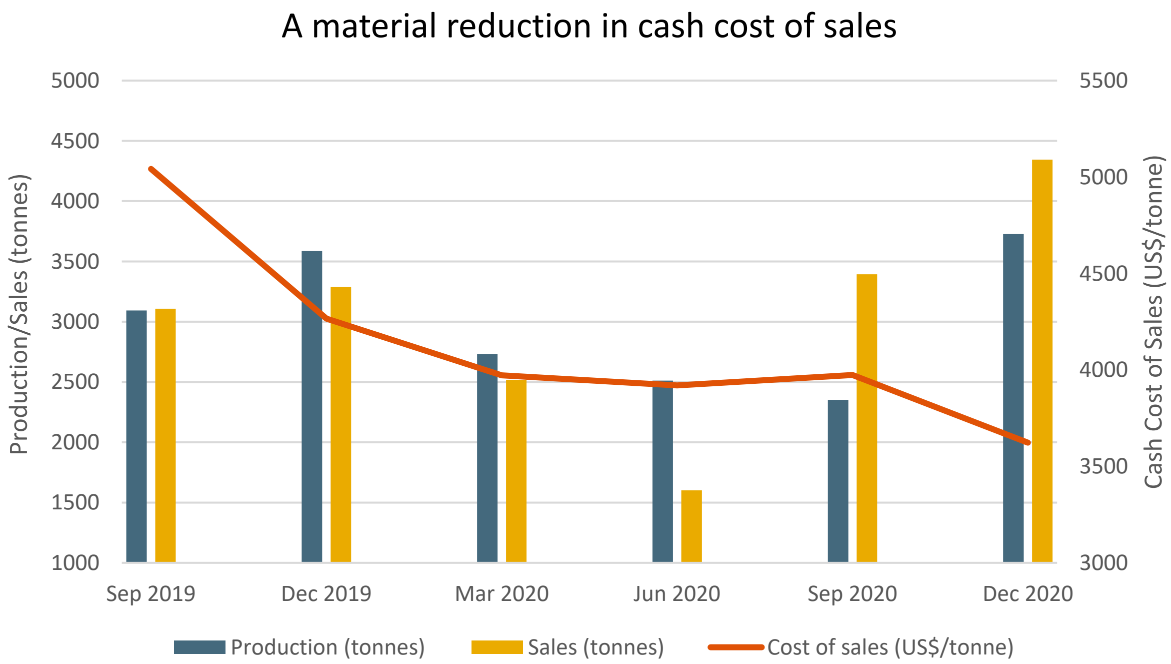
For both primary and purified battery grade products, this program is delivering higher processing capability and improved product quality and consistency.

Productivity / Costs / Sales

In H1 FY21, 6,079 tonnes of lithium carbonate were produced, down 9% from 6,679 tonnes in the previous corresponding period. Sales revenue was US$27.0 million on record sales of 7,738 tonnes, up 47% half on half. Cash cost of sales for the half-year was US$3,777/tonne (excluding royalties and head office costs) and the average price received was US$3,492/tonne, resulting in a negative gross cash margin of US$285/tonne, down from positive US$510/tonne in the previous half.

Production in Q1 FY21 was 2,352 tonnes down from 2,511 tonnes in the PCP due to COVID-19 related operational restrictions, scheduled maintenance and the scaling of production to meet customer requirements. Brine concentration throughout the quarter remained at higher levels than in recent years allowing for high daily production rates, higher plant recovery and maintenance of lower costs, even when COVID-19 related costs are included.

Production in Q2 FY21 was third highest achieved by Olaroz at 3,727 tonnes up 4% from 3,586 tonnes in the PCP as customer demand improved. Cash cost of goods sold for the quarter (including COVID-19 related costs and US$360,000 of COVID-19 wage subsidies from the Argentina government) reduced by 15% PCP to near all-time lows at US$3,623/tonne. This excludes export duties for the quarter of US$85/tonne. Gross cash margins for the quarter returned to being positive at US$174/tonne and this is expected to continue improving with better pricing in H2 FY21.



Cash cost of sales has continued to decrease and is materially lower than the previous corresponding period demonstrating the significant focus and reduction of fixed costs within the operating business.

PPES MOU

In 2020, Orocobre entered a memorandum of understanding with Prime Planet Energy and Solutions ("**PPES**") joint venture to supply lithium carbonate and lithium hydroxide. Discussions with PPES have advanced significantly and current expectations are that battery grade lithium carbonate will be supplied to PPES from Olaroz commencing in June 2021. Subject to finalising a long term contract, it is anticipated that volumes will increase to 30,000 tonnes by 2025.

Future Pricing
Lithium prices and volumes are now recovering and realised H2 FY21 prices are expected to increase >50% to approximately US$5,500/tonne (**FOB**[1]).

OLAROZ LITHIUM FACILITY – STAGE 2 EXPANSION

The Olaroz Stage 2 Expansion will increase total expected lithium carbonate production capacity to approximately 42,500 tonnes per annum (**tpa**). Stage 2 will produce primary grade (>99.0% Li_2CO_3) lithium carbonate, part of which will be utilised as feedstock for the Naraha Lithium Hydroxide Plant.

The current capital expenditure for Stage 2 is expected to be US$330 million, excluding VAT and working capital. The Stage 2 Mizuho debt facility is available to fund US$180 million and the remaining capital has been provided through shareholders loans from Orocobre (75%) and TTC (25%).

Progress to Date
Work during the December half continued with a reduced workforce adhering to COVID-19 restrictions.

Key areas of development were brine extraction wells and gathering systems, collection ponds and carbonation/soda ash plants. Lime Plant 2 started production in mid February. Brine extraction wells are approximately 51% complete and Stage 2 ponds are approximately 75% complete.

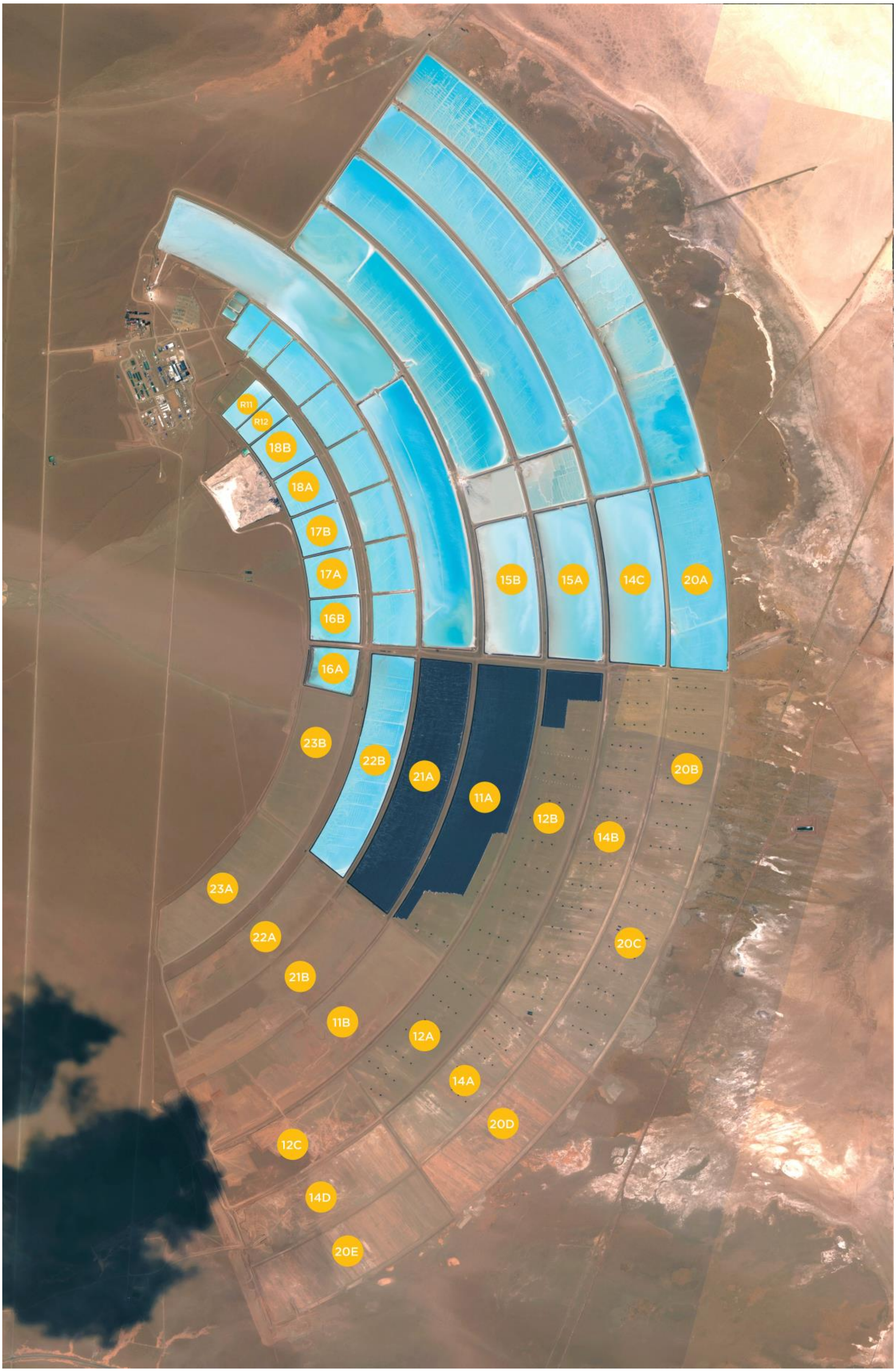
Drilling and delivery of new wells, along with pond construction remain key items that have been affected by COVID_19 related delays. Five drilling rigs are expected on site by the end of February. Further liming capacity will be available with the completion of Lime Plant 3 in the second half of calendar year 2021.

All of the steel structure for the carbonation and soda ash plants has now arrived at site including cladding, roofing and overhead cranes. The construction contract for the carbonation plant has been awarded and works are expected to commence by the end of February once the remaining terms of the contract are finalised.

Expansion of the construction camp is well underway which will allow the workforce to grow as required by the current schedule.

Original plans for expansion workforce accommodation envisaged two or more people per room, however with social distancing requirements limiting accommodation to one person per room additional rooms are now being installed. The maximum construction workforce of 850-900 personnel is expected late in the September quarter.

Following a further review and planning around COVID-19 restrictions, Stage 2 is expected to commence production in H2 CY22 and ramp up over two years to full capacity of 25,000 tpa of primary grade lithium carbonate by H2 CY24.



Evaporation ponds under construction/complete

NARAHA LITHIUM HYDROXIDE PLANT

Update on Progress

The Naraha Plant, the first of its kind to be built in Japan, is designed to convert primary grade lithium carbonate feedstock into purified battery grade lithium hydroxide. Feedstock for the 10,000 tpa Naraha Plant will be sourced from the Olaroz Stage 2 Expansion that will produce primary grade (>99.0% Li_2CO_3) lithium carbonate.

Sale of the lithium hydroxide is to be managed by TTC and Orocobre under a similar joint marketing arrangement to that operating for lithium carbonate from Olaroz. Most of the production is expected to be delivered to PPES and other battery manufacturers. The Naraha Plant will provide Orocobre invaluable product diversification and will further cement the Company's position as a global lithium chemicals producer operating in the bottom quartile of the lithium cost curve.

Since construction commenced at the Naraha Plant there have been no LTIs recorded with over 77,000 hours worked. Veolia is undertaking weekly safety meetings and regular site safety checks, with Veolia Water Technologies and Toyotsu Lithium Corporation (TLC) project staff continuing to attend safety training in alignment with the project's rigorous safety management plan.

At the end of the half-year, approximately US$50 million had been spent on engineering, civil works and procurement at the Naraha Plant. Construction activities for the half-year progressed well with more than 89% of planned works completed. Power is now being delivered to site by a third party supplier to enable mechanical completion tests to be carried out.

Start up and operating procedures are being refined and recruitment of site operators is underway. Supply contracts for raw materials and spare parts are progressively being negotiated and completed.

Construction is expected to be complete by mid CY21 and commissioning will commence in H2 CY21 subject to any further COVID-19 related delays.

Aerial view of the Naraha Lithium Hydroxide Plant construction site

FURTHER GROWTH PROJECTS

Upon completion of PPES and other customer agreements in the next several months, both Olaroz Stage 2 and Naraha Stage 1 are expected to be fully contracted. In order to maintain the targeted 5-10% global market share beyond 2025, Orocobre is investigating additional production of both lithium carbonate and lithium hydroxide.

Olaroz Stage 3

A scoping study into a further expansion at Olaroz (Stage 3) will commence during the March quarter. The study will investigate options for additional 25,000-50,000 tpa of lithium carbonate production. The study will consider technical, financial and commercial options for further production including from the 100% Orocobre owned Cauchari resource.

Stage 3 at Olaroz will be a high value growth option that will benefit from capital and operating cost synergies with Stages 1 and 2. As a brownfield development it will have low technology and resource risk with a well understood processing route for the Olaroz/Cauchari brine. Access to key existing infrastructure such as the national highway, a dedicated gas pipeline and renewable energy will underpin financial and sustainability metrics and returns.

Stage 3 is a unique growth option that will be well timed to meet growing demand for lithium based batteries.

Naraha 2

Initial discussions have confirmed the intention to expand lithium hydroxide production. The next step will be to consider the potential scale of additional production and whether that is located at Naraha or another site that better suits customer needs, or provides scope for potential further stages as may be required to match growth by PPES and other customers.

BORAX ARGENTINA S.A. (OROCOBRE 100%)

Borax has a fifty-year production history producing borax chemicals, boric acid and boron minerals. The production currently comes from the principal mines at Tincalayu and Sijes with mines and concentrators, a sodium borate manufacturing plant at Tincalayu and a plant at Campo Quijano producing boric acid and anhydrous products.

Sales for the half-year were US$8.9 million (H1 FY19 US$9.6 million) and the business reported a net profit after tax of US$756,000 (31 December 2019: net loss of US$2.8 million) with the inclusion of US$2.4 million from the sale of an Usufruct. EBITDAIX for the period was positive US$1.4 million (31 December 2019: positive US$0.3 million).

A total of 19,537 tonnes of combined products were sold in H1 FY21, a decrease of 7.4% on the PCP.

Combined product sales volume by quarter:

PREVIOUS YEAR QUARTERS		RECENT QUARTERS	
March 2019	13,041	March 2020	10,690
June 2019	11,758	June 2020	12,278
September 2019	12,480	September 2020	8,964
December 2019	8,614	December 2020	10,573

Operations and commercial

Borax continues to develop the business with a strategy of maximizing the gross margin through concentrating the business in the South America market and by prioritising markets and products with better prices.

Under this strategy and with a new commercial team year on year results are improving with increased sales in the South America market where Borax has a competitive advantage.

Despite the COVID-19 restrictions, market fundamentals remain firm. Most products are registering slight price increases, although the average unit price for the period is lower due to the product sales mix.

The strategy for mineral products is to place premium material in the Brazilian market and lower cost products in the rest of the world where prices are lower. Customers are also being migrated to higher margin products and existing products are being promoted in new applications where better margins can be achieved. Work continues on assuring supply to our clients.

A cost reduction strategy was implemented this year and although the pandemic continues to affect our operations, production stability improved and costs decreased. A strong focus remains on cost reduction and it is expected further improvements will be realised in the medium term.

Environmental

No environmental incidents were recorded during the first half of FY21. Water consumption per tonne of boric acid produced has decreased by 20% compared to the previous fiscal year and waste process water at Campo Quijano also fell by 25%. Water from evaporation ponds started to be reused in the process, resulting in a net recovery of approximately 60%.

Quality

In December, the operation successfully recertified for ISO 9001 and ISO 14000 without any nonconformance observations.

During the half, the rate of claims for product dispatched decreased by 75% (on the basis of tonnes disputed versus total tonnes shipped).

MARKETS

Lithium Markets

Lithium market pricing reached its lowest point in the September 2020 quarter and progressively improved during the December 2020 quarter. The Chinese lithium carbonate market demonstrated particular strength with spot prices rising ~50% between September 2020 and December 2020. During this period domestic supply became increasingly tight as demand from the electric vehicle (**EV**) sector accelerated.

COVID-19 restrictions are expected to continue to affect logistics in South America for some time, that may result in delays to product dispatch.

Demand

Underlying fundamentals for electric vehicles continue to improve with an increasing number of commitments to EVs by national governments such as those announced by the United Kingdom in late 2020 which will ban petrol and diesel vehicle sales by 2030. The success of government mandated EV initiatives can be seen in the Norwegian market where all new car sales are expected to be EVs by 2025.

There are multiple other growth catalysts that are driving lithium demand including a change of government in the US and proposed US$2 trillion renewables stimulus, European carbon emissions penalties on automakers, and the growing range and affordability of popular EV brands in China.

Chinese EV demand continued to outperform expectations with the leading industry body, the Chinese Association of Automobile Manufacturers (**CAAM**) revising the 2020 New Energy Vehicle (**NEV**) forecast from 1.1 million units mid-year to 1.3 million units outperforming 2018 and 2019 levels. December 2020 marked the sixth consecutive month of growth in NEV sales in China, with a high proportion of pure battery electric vehicles (**BEV's**) at 70-80% versus plug-in hybrid (**PHEV**) resulting in higher lithium consumption with the larger battery size of a BEV relative to a PHEV. China's demand for lithium carbonate remained higher than the rest-of-world due to a resurgence of LFP battery formats and continued use of mid nickel NMC cathodes by Chinese battery makers producing adequate range for the majority of China's EV buyers.

Supply
As Chinese brine producing regions became prohibitively cold, production declined and inventories were quickly reduced during the quarter ended December 2020, limiting availability of industrial carbonate to upgrading converters as well as cathode manufacturers who seek to maximise the use of lower cost material. This supply dynamic throughout the quarter decreased the premium battery grade carbonate typically achieves over industrial carbonate. Supply discipline by spodumene producers and earlier mine closures meant converter stock levels also declined. As a result, China's demand for South American lithium chemical supply grew over the quarter absorbing increased supply from Chile which had previously played a large part in driving Chinese prices down.

Continued tightening in the lithium market is expected during the June half as Chinese brine remains restricted by weather conditions and Chinese spodumene converter output is limited by feedstock availability. Rest of world supply increases will also be restricted given most South American producers have delayed 2021 expansion plans to 2022 and greenfield projects have been pushed back by lack of funding and/or high cost of capital.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Export duties: On 30 December 2020, the Argentine government passed a decree updating the levy on export duties to a fixed percentage of 4.5% which compares to the previous levy of ARS$3 per US$1 of export sales. The average export duty rate applicable to FY20 was 5%, however for the six- month period 1 July to 31 December 2020 it was 3.9% under the ARS$3 per US$1 levy calculation.

SUBSEQUENT EVENTS

Subsequent to the end of the half year, the Board appointed Fernando Oris De Roa as Deputy Chairman. Fernando is a highly successful business leader and former Ambassador of Argentina to the United States. Fernando's appointment supports the focus of Orocobre on Argentina and provides a senior Board representative in the time zone and geography of the Company's operations.

RISKS

Orocobre's business faces certain risks that could affect the success of the strategies and the outlook for future financial years. At Olaroz these inherent risks (prior to impact of control measures) include, but are not limited to:

- the continued growth and rate of growth in the demand for electric vehicles and the economic viability of electric vehicles relative to internal combustion engine vehicles
- the development and adoption of new battery technologies that may rely on inputs other than lithium
- the current size of the Mineral Resource at Olaroz and the current lack of Reserves (as defined under the JORC Code) or the inability to expand operations beyond current committed projects
- the continuing development and improvement of good operating practices
- the optimisation of plant performance and the associated production rate ramp-up
- the successful, on time and on budget construction and commissioning of the Stage 2 Expansion of Olaroz
- the achievement of set performance targets for Stage 2 Olaroz expansion due to incorrect selection of technology, wrong planning assumptions, performance of contractors/subcontractors, incorrect operational assumptions, poor construction management etc.
- production of in-specification product as required by customers for Stage 1 and Stage 2
- the achievement of the design production rates for Stage 1 and Stage 2

- the brine grade and quality of the brine feedstock
- the expected operating costs including fluctuations in the energy and reagent cost and the comparison of these costs to the operating costs of competitors
- the ongoing working relationship between SDJ and the Province of Jujuy (JEMSE)
- increasing competition from competitors and the prices for the commodities sold by the Company
- the meeting of all relevant banking covenants in respect to the operation of Olaroz
- ineffective marketing of Olaroz production due to lack of experience or resources leading to suboptimal commercial outcomes
- delays and/or inability to obtain full and definitive mining titles deeds in all the tenements corresponding to the Operations
- the implementation of environmental regulation for wetlands could impose specific industry restrictions.

With respect to Borax the risks associated with the business include:

- weaknesses in the Company's traditional markets
- strong competition from other producers in these markets
- challenges in developing new markets
- the implementation of unit cost reduction measures
- environmental or other legacy issues arising from historical operations.

With respect to Naraha the risks associated with the construction, commissioning and operation of the lithium hydroxide plant include risks similar in nature to the Stage 2 expansion of Olaroz in addition to the following:

- the on-going relationship with (TTC as manager of the Naraha plant)
- the quality and consistency of feedstock available to the Naraha plant
- the on-going relationship with Japanese governments, regulatory bodies, communities and other stakeholders
- the ability to ensure fair, representative and market competitive pricing for LiOH products being sold to Japanese entities that are formally or informally related to TTC.

Other risks applicable to all Orocobre operations and businesses include:

- ineffective management of health and safety resulting in injury/loss of life as well as operation, financial, reputational or regulatory implications
- damage, destruction or impact on plant, other physical assets or supply chain e.g. by fire or explosion, or by on/offsite natural disaster
- the on-going mutually beneficial relationship with joint venture partner, marketing partner and significant shareholder Toyota Tsusho Corporation or the risk of misalignment of interests
- Argentina sovereign risk both at a national and provincial level and the political and financial risks typically associated with developing countries including reliance on government for the grant and renewal of mining concessions, environmental permits and water access rights
- changes in government taxes, levies, regulations, policies or legislation
- fluctuations or decreases in product prices and currency
- the impact of high rates of inflation on local costs
- the ongoing impact of devaluation of the ARS
- adverse conditions in the global economy and financial markets or downturns in customers end markets, including the impact of natural disasters, climate change, pandemics and other major adverse events
- risks associated with adverse weather patterns resulting from climate change and consequent potential negative impacts on production rates
- labour disputes, the retention of key employees and availability of a skilled local workforce
- loss of support by local communities and activism challenging Orocobre's "social licence" due to actual or perceived concerns
- the quality of operational and financial management information leading to inaccurate forecasting and loss of confidence in the Company

- competitors may develop more effective and successful products impacting sales and profitability
- the loss of one or more large customers
- the loss of one or more key management or the inability to replace staff creating gaps in knowledge, experience and relationships
- inadequate, strategic and corporate planning leading management and the business to allocate time, effort and resources into the wrong priorities and initiatives
- actual or alleged fraudulent or corrupt activities involving company assets
- environmental or other accident/disaster at a non-Orocobre managed joint venture or investment
- supply chain disruption to operations due to natural disaster, commercial failure of operator, industrial action or other cause
- benefits from future acquisitions may not be realised or unanticipated costs may occur during and after integration
- the loss of intellectual property or commercially sensitive information from cyber security breaches, employees (or ex-employees), theft or other causes
- there may not be an active, liquid trading market for Orocobre securities
- the Orocobre securities price can fluctuate significantly and investors may not be able to sell their shares for the value of which they were purchased
- the Board of Orocobre has not yet decided if/when it will declare dividends
- sudden changes in the local financial system that may affect the operations
- ongoing impacts of COVID-19 or other pandemic illnesses.

The Company has in place risk management policies and systems to mitigate these risks wherever possible, including monitoring ongoing exploration results, monthly review of operational results for SDJ and Borax and continued discussions with Orocobre's partners and the government of Argentina. Within its operations in Argentina, the company is aligning with Risk Management standard ISO 31000 as part of its Integrated Management System, to enable a comprehensive approach to risk across all areas of activity.

During FY19 the Company commissioned an external risk management review to formulate a comprehensive enterprise-wide risk management framework based on the principles ISO 31000, this was further reviewed in H1 FY21. The structure facilitates continuous improvement of Orocobre’s risk management capability, with roles and responsibilities of varying degrees of accountability at all levels of the organisation.

Orocobre considers risk an inherent component of all business activities that can be minimised with effective identification and management strategies. The framework was developed on the basis that everyone involved with the Company’s activities (e.g. employees, contractors, partners etc.) should be risk-aware, identify and manage sources of risk, and communicate incidents. Where risk presents itself as an opportunity or is connected to an opportunity, the business follows a structured risk process to determine the risk versus reward relationship.

Standalone risk assessments will continue to be conducted in accordance with existing policies, and in areas requiring specific methodological approaches such as climate risk and human rights risk, but all will be considered in conjunction with this enterprise risk management framework.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Reports published by the Company contain “forward-looking information” within the meaning of applicable securities legislation. Forward-looking information may include, but not be limited to, the results of the Olaroz Feasibility Study, the estimation and realisation of mineral resources at the Company’s projects, the viability, recoverability and processing of such resources, costs and timing of development of the Olaroz Project, the forecasts relating to the lithium, potash and borate markets including market price whether stated or implied, demand and other information and trends relating to any market tax, royalty and duty rates, timing and receipt of approvals for the Company’s projects, consents and permits under applicable legislation, adequacy of financial resources, the meeting of banking covenants contained in project finance documentation, production and other milestones for the Olaroz Project, the Olaroz Project’s future financial and operating performance including production, rates of return, operating costs, capital costs and cash flows, potential operating synergies, other matters related to the development of Olaroz and Cauchari, the performance of the borax plant at Tincalayu, including without limitation the plant’s estimated production rate, financial data, the estimates of mineral resources or mineralisation grade at the Tincalayu mine, the economic viability of such mineral resources or mineralisation, mine life and operating costs at the Tincalayu mine, the projected production rates associated with the borax plant.

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; the possibility that required concessions may not be obtained, or may be obtained only on terms and conditions that are materially worse than anticipated; changes in government taxes, levies, regulations, policies or legislation; fluctuations or decreases in commodity prices; the possibility that required permits or approvals may not be obtained; uncertainty in the estimation, economic viability, recoverability and processing of mineral resources; fluctuations or decreases in commodity prices; general risks associated with the feasibility of the Company's projects; risks associated with construction and development/expansion of Olaroz; unexpected capital or operating cost increases; risks associated with weather patterns and impact on production rate and the uncertainty of meeting anticipated program milestones at the Company's projects; general risks associated with the operation of the borax plant; a decrease in the price for borax resulting from, among other things, decreased demand for borax or an increased supply of borax or substitutes.

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, potash and borates, 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.

ROUNDING OF AMOUNTS

The amounts contained in this report and in the financial statements have been rounded to the nearest thousand dollars unless otherwise stated (where rounding is applicable) under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which the instrument applies.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under the Corporations Act 2001 is included in this half-year financial report.

Signed in accordance with a resolution of the Board of Directors.

Robert Hubbard
Chairman

Dated this: 26th day of February 2021
Brisbane, Queensland

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Auditor's independence declaration to the directors of Orocobre Limited

As lead auditor for the review of the half-year financial report of Orocobre Limited for the half-year ended 31 December 2020, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Orocobre Limited and the entities it controlled during the financial period.

Ernst & Young

Andrew Carrick
Partner
26 February 2021

Financial Report

for the period ended 31 December 2020

Contents

Consolidated income statement

for the period ended 31 December 2020

	Note	31 Dec 2020 US $'000	31 Dec 2019 US $'000
Revenue from contracts with customers	1	**35,880**	48,966
Cost of sales		**(25,406)**	(32,218)
Gross profit		**10,474**	16,748
Other income		**2,550**	11
Corporate & administrative expenses	2a	**(12,021)**	(10,796)
Selling expenses	2b	**(1,735)**	(3,819)
Depreciation & amortisation expense		**(11,070)**	(8,307)
Impairment of assets	3	**(627)**	(5,890)
Share of net losses of associates	9	**(920)**	(639)
Foreign currency gain/(loss)	2c	**(457)**	(7,691)
(Loss)/profit before interest and income tax		**(13,806)**	(20,383)
Finance income	2d	**1,626**	3,609
Finance costs	2e	**(13,906)**	(9,787)
(Loss)/profit before income tax		**(26,086)**	(26,561)
Income tax benefit/(expense)	4	**(3,056)**	7,618
(Loss)/profit for the period		**(29,142)**	(18,943)
(Loss)/profit for the year attributable to:			
Owners of the parent entity		**(18,919)**	(14,880)
Non-controlling interests		**(10,223)**	(4,063)
(Loss)/profit for the period		**(29,142)**	(18,943)
Earnings per share for profit attributable to the ordinary equity holders of the Company			
Basic (loss)/earnings per share (cents per share)	5	**(5.95)**	(5.69)
Dilutive (loss)/earnings per share (cents per share)	5	**(5.95)**	(5.69)
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company			
Basic/dilutive (loss)/earnings per share (cents per share)	5	**(5.95)**	(5.69)
Dilutive (loss)/earnings per share (cents per share)	5	**(5.95)**	(5.69)

The accompanying notes form part of these financial statements.

Consolidated statement of comprehensive income

for the period ended 31 December 2020

	Note	31 Dec 2020 US $'000	31 Dec 2019 US $'000
(Loss)/profit for the period		**(29,142)**	(18,943)
Other comprehensive profit/(loss)			
(Items that may be reclassified subsequently to profit or loss)			
Translation gains/(losses) on foreign operations - subsidiaries	7b	**769**	(42)
Translation gains/(losses) on foreign operations - associates	7b	**247**	(64)
Net gains/(losses) on revaluation of derivatives		**962**	412
Net gains/(losses) on revaluation of financial assets - associates		**-**	30
Other comprehensive (loss)/profit for the period, net of tax		**1,978**	336
Total comprehensive (loss)/profit for the period, net of tax		**(27,164)**	(18,607)
Total comprehensive (loss)/profit attributable to:			
Owners of the parent entity		**(17,264)**	(14,698)
Non-controlling interests		**(9,900)**	(3,909)
		(27,164)	(18,607)

The accompanying notes form part of these financial statement.

Consolidated balance sheet

as at 31 December 2020

Current assets	Note	31 Dec 2020 US $'000	30 Jun 2020 US $'000
Cash and cash equivalents	6	**262,309**	171,836
Trade and other receivables		**17,775**	16,403
Inventory		**25,826**	30,336
Prepayments		**4,294**	8,321
Total current assets		**310,204**	226,896
Non-current assets			
Other receivables		**18,413**	18,424
Inventory		**44,580**	42,009
Other financial assets	6	**17,171**	17,171
Property, plant and equipment		**800,135**	762,008
Right of use asset		**25,838**	27,494
Intangible assets		**833**	897
Exploration, evaluation and development assets		**45,053**	44,762
Investment in associates	9	**5,327**	6,000
Total non-current assets		**957,350**	918,765
Total assets		**1,267,554**	1,145,661
Current liabilities			
Trade and other payables		**23,770**	36,956
Derivative financial instruments		**2,978**	2,899
Loans and borrowings	6	**37,429**	62,397
Provisions		**1,003**	710
Lease liabilities		**3,496**	2,654
Total current liabilities		**68,676**	105,616
Non-current liabilities			
Other payables		**18,547**	5,396
Derivative financial instruments		**4,117**	5,461
Loans and borrowings	6	**206,427**	157,613
Deferred tax liability		**122,398**	118,995
Provisions		**34,531**	33,355
Lease liabilities		**28,207**	28,651
Total non-current liabilities		**414,227**	349,471
Total liabilities		**482,903**	455,087
Net assets		**784,651**	690,574
Equity			
Issued capital	7a	**668,512**	548,462
Reserves	7b	**(13,779)**	(16,608)
Retained earnings		**51,586**	70,505
Equity attributable to the owners of Orocobre		**706,319**	602,359
Equity attributable to the non-controlling interests		**78,332**	88,215
Total equity		**784,651**	690,574

The accompanying notes form part of these financial statements.

Consolidated statement of changes in equity

for the period ended 31 December 2020

	Note	Issued capital US $'000	Retained earnings US $'000	Reserves US $'000	Total US $'000	Non-controlling interests US $'000	Total US $'000
Balance as at 1 July 2019		527,716	136,279	(32,176)	631,819	102,877	734,696
Loss for the period		-	(14,880)	-	(14,880)	(4,063)	(18,943)
Other comprehensive profit for the period	7b	-	-	182	182	154	336
Total comprehensive profit/(loss)		-	(14,880)	182	(14,698)	(3,909)	(18,607)
Share-based payments	7b	-	-	917	917	-	917
Realisation of OCI to retained earnings	7b	-	(427)	427	-	-	-
Transfer of retained earnings to legal & discretionary reserve	7b	-	(13,356)	13,356	-	-	-
Balance as at 31 December 2019		527,716	107,616	(17,294)	618,038	98,968	717,006
Balance as at 1 July 2020		**548,462**	**70,505**	**(16,608)**	**602,359**	**88,215**	**690,574**
Loss for the period		**-**	**(18,919)**	**-**	**(18,919)**	**(10,223)**	**(29,142)**
Other comprehensive profit for the period	7b	**-**	**-**	**1,656**	**1,656**	**322**	**1,978**
Total comprehensive loss		**-**	**(18,919)**	**1,656**	**(17,263)**	**(9,901)**	**(27,164)**
Shares issued during the period	7a	**120,050**	**-**	**-**	**120,050**	**-**	**120,050**
Share-based payments	7b	**-**	**-**	**1,173**	**1,173**	**-**	**1,173**
Other movements		**-**	**-**	**-**	**-**	**18**	**18**
Balance as at 31 December 2020		**668,512**	**51,586**	**(13,779)**	**706,319**	**78,332**	**784,651**

The accompanying notes form part of these financial statements.

Consolidated statement of cash flows

for the period ended 31 December 2020

	Note	**31 Dec 2020 US $'000**	31 Dec 2019 US $'000
Cash flows from operating activities			
Receipts from customers		**35,200**	50,364
Payments to suppliers and employees		**(42,788)**	(51,009)
Interest received	2d	**1,098**	4,471
Interest paid	2e	**(7,618)**	(5,916)
Net cash generated from/(used in) operating activities		**(14,108)**	(2,090)
Cash flows from investing activities			
Net payments for exploration, evaluation and development expenditure		**(291)**	(3,336)
Purchase of property, plant and equipment		**(43,512)**	(74,123)
Proceeds from sale of assets		**2,450**	-
Investment in associates	9	**-**	(1,178)
Net cash used in investing activities		**(41,353)**	(78,637)
Cash flows from financing activities			
Proceeds from issue of shares (net of transaction costs)	7a	**119,351**	-
Proceeds from borrowings		**44,578**	48,842
Repayment of borrowings		**(18,063)**	(51,514)
Repayment of lease liabilities		**(893)**	(859)
Net cash provided by/(used in) financing activities		**144,973**	(3,531)
Net increase/(decrease) in cash and cash equivalents		**89,512**	(84,258)
Cash and cash equivalents at the beginning of the period		**171,836**	279,798
Effect of exchange rates on cash holdings in foreign currencies		**961**	(515)
Cash and cash equivalents at the end of the period		**262,309**	195,025

The accompanying notes form part of these financial statements.

Notes to the financial statements

for the period ended 31 December 2020

About this report

Orocobre Limited (the Company) is a limited company incorporated and domiciled in Australia whose shares are publicly traded. The principal activities of the Company and its subsidiaries (the Group) are the production and development of industrial chemicals in Argentina.

The interim consolidated financial statements of the Group for the six months ended 31 December 2020 were authorised for issue, in accordance with a resolution of the directors, on 26 February 2021.

Basis of preparation:

- The interim consolidated financial statements for the six months ended 31 December 2020 have been prepared in accordance with AASB 134 Interim Financial Reporting.
- The statements are on a historical cost basis and are in USD.
- The half-year has been treated as a discrete reporting period.
- The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements. It is recommended that the half-year financial statements be read in conjunction with the Group's annual report for the year ended 30 June 2020 and considered together with any public announcements made by the Group during the half-year ended 31 December 2020 in accordance with the continuous disclosure obligations of the ASX listing rules.
- The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2020. New standards and amendments to standards mandatory for the first time for the financial year beginning 1 July 2020 have been adopted. The adoption of these standards has had no impact on the interim financial statements of the Group.
- Where necessary, comparative information has been restated to conform with changes in presentation in the current year.

Foreign currency translation

The functional currency of the entities within the Group is USD, with exception of Borax Argentina S.A. (ARS), and Advantage Lithium Corp. (CAD) and Toyotsu Lithium Corporation (YEN). In preparation of the financial statements the following exchange rates have been used to translate from the functional currency of each entity to the presentational currency of the Group:

Spot Rates	**31 December 2020**	30 June 2020	Movement (%)
ARS -> USD 1	**84.1500**	70.4600	(19.43%)
CAD -> USD 1	**1.2748**	1.3678	6.80%
YEN -> USD 1	**103.1579**	107.7380	4.25%
Average Rates (6 months)	**31 December 2020**	31 December 2019	Movement (%)
ARS -> USD 1	**82.5545**	54.8729	(50.45%)
CAD -> USD 1	**1.2818**	1.3202	2.91%
YEN -> USD 1	**103.7934**	108.0162	3.91%

Argentina's economy is hyperinflationary from 1 July 2018, and as such Orocobre accounts for its ARS functional currency entities as hyperinflationary effective from this date. As most financial assets and liabilities of its ARS functional currency entities are denominated in USD, and the Group's functional currency is USD, there is no material impact on the consolidated financial statements of the Group.

Notes to the financial statements

for the period ended 31 December 2020

Note 1: Segment reporting and revenue

The Group operates primarily in Argentina. The Group's primary focus is the operation of the lithium business and development of lithium deposits. The Group also includes the operations of Borax. The Group has three reportable segments, being Corporate, the Olaroz project, and Borax.

In determining operating segments, the Group has had regard to the information and reports the Chief Operating Decision maker (COD) uses to make strategic decisions regarding resources. The Chief Executive Officer (CEO) is considered to be the COD and is empowered by the Board of Directors to allocate resources and assess the performance of the Group. The COD assesses and reviews the business using the operating segments below. Segment performance is evaluated based on the performance criteria parameters agreed for each segment. These include, but are not limited to: financial performance, exploration activity, production volumes and cost controls. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

The following tables present revenue and profit information for the Group's operating segment:

For the period ending 31 December 2020

	Corporate	Borax *	Olaroz **	Total underlying	Eliminations on consolidation	Total Group
	US $'000	US $'000	US $'000	US $'000	US $'000	US $'000
Revenue	-	8,860	27,020	35,880	-	35,880
EBITDAIX [1]	(3,897)	1,424	(3,867)	(6,340)	(6)	(6,346)
Less depreciation & amortisation	(248)	(20)	(10,802)	(11,070)	-	(11,070)
EBITIX [2]	(4,145)	1,404	(14,669)	(17,410)	(6)	(17,416)
Less interest income/(costs)	8,038	6	(17,368)	(9,324)	(2,956)	(12,280)
EBTIX [3]	3,893	1,410	(32,037)	(26,734)	(2,962)	(29,696)
Impairment/net realisable value of inventories	-	(627)	5,614	4,987	-	4,987
Foreign currency (losses)/gains	713	(27)	(1,149)	(463)	6	(457)
Add share of loss of associates, net of tax	(920)	-	-	(920)	-	(920)
Segment profit/(loss) for the period before tax	3,686	756	(27,572)	(23,130)	(2,956)	(26,086)
Income tax expense	-	-	(3,056)	(3,056)	-	(3,056)
Total profit/(loss) for the period	3,686	756	(30,628)	(26,186)	(2,956)	(29,142)

[1] EBITDAIX - Segment earnings before interest, taxes, depreciation, amortisation, impairment, foreign currency gains/(losses), share of associate losses, share of profit from joint ventures, gains and other business combination costs.
[2] EBITIX - Segment earnings before interest, taxes, impairment, foreign currency gains/(losses), share of associate losses, share of profit from joint ventures, gains and other business combination costs.
[3] EBTIX - Segment earnings before taxes, impairment, foreign currency gains/(losses), share of associate losses, share of profit from joint ventures, gains and other business combination costs).
[*] The Borax segment EBITDAIX includes US $2.4 million received as other income relating to the sale of the Usufruct.
[**] The Olaroz segment Impairment/net realisable value of inventories includes a release of a provision for the write down of inventories to net realisable value recognised in the prior financial year, as the inventory was sold during the current half year period.

Notes to the financial statements

for the period ended 31 December 2020

Note 1: Segment reporting and revenue (continued)

For the period ending 31 December 2019

	Corporate	Borax	Olaroz	Total Underlying	Eliminations on consolidation	Total Group
	US $'000	US $'000	US $'000	US $'000	US $'000	US $'000
Revenue	-	9,591	39,375	48,966	-	48,966
EBITDAIX [1]	(4,129)	263	6,079	2,213	(69)	2,144
Less depreciation & amortisation	(257)	(279)	(7,771)	(8,307)	-	(8,307)
EBITIX [2]	(4,386)	(16)	(1,692)	(6,094)	(69)	(6,163)
Less interest income/(costs)	8,823	(70)	(11,944)	(3,191)	(2,987)	(6,178)
EBTIX [3]	4,437	(86)	(13,636)	(9,285)	(3,056)	(12,341)
Less impairment	(4,149)	(694)	(1,063)	(5,906)	16	(5,890)
Add foreign currency gains/(losses)	(563)	(1,971)	(5,147)	(7,681)	(10)	(7,691)
Add share of loss of associates, net of tax	(639)	-	-	(639)	-	(639)
Segment profit/(loss) for the period before tax	(914)	(2,751)	(19,846)	(23,511)	(3,050)	(26,561)
Income tax	-		7,618	7,618	-	7,618
Total (loss)/profit for the period	(914)	(2,751)	(12,228)	(15,893)	(3,050)	(18,943)

Segment accounting policies are consistent with those adopted in the annual financial statements of the Group.

Revenue accounting policy

Revenue is measured at the fair value of the consideration received or receivable, including returns and allowances, trade discounts and volume rebates. Revenue is recognized when control of goods passes from the seller to the buyer dictated by the Incoterms specified in the sales contract, this is the point the performance obligations have been completed.

The Group's customers are non-government customers with short term contracts. The Group does not have contract assets nor contract liabilities arising from contracts with customers, other than trade receivables. The Group does not have long term contracts to supply product to customers in future periods. Revenue is recognised on an as invoiced basis; and is measured at the fair value of the consideration received or receivable, including returns and allowances, trade discounts and volume rebates.

In the period ended 31 December 2020, a customer with a credit rating of A contributes 75% of the Group’s total revenue (2019: 80%).

Note 1: Segment reporting and revenue (continued)

Disaggregation of the Group's revenue from contracts with customers

For the period ended 31 December 2020		**Olaroz US $'000**	**Borax US $'000**	**Total US $'000**
Type of goods	**Timing of recognition**			
Lithium Carbonate	A point in time	**27,020**	**-**	**27,020**
Borax	A point in time	**-**	**3,888**	**3,888**
Borax Acid	A point in time	**-**	**2,529**	**2,529**
Hydroboracite	A point in time	**-**	**1,999**	**1,999**
Other	A point in time	**-**	**444**	**444**
Total revenue from contracts with customers		**27,020**	**8,860**	**35,880**
Geographical markets				
Asia		**21,540**	**820**	**22,360**
Europe		**4,990**	**46**	**5,036**
South America		**-**	**7,070**	**7,070**
North America		**490**	**341**	**831**
Other		**-**	**583**	**583**
Total revenue from contracts with customers		**27,020**	**8,860**	**35,880**

For the period ended 31 December 2019		Olaroz US $'000	Borax US $'000	Total US $'000
Type of goods	**Timing of recognition**			
Lithium Carbonate	A point in time	39,375	-	39,375
Borax	A point in time	-	3,993	3,993
Borax Acid	A point in time	-	2,977	2,977
Hydroboracite	A point in time	-	2,254	2,254
Other	A point in time	-	367	367
Total revenue from contracts with customers		39,375	9,591	48,966
Geographical markets				
Asia		24,987	1,186	26,173
Europe		12,219	43	12,262
South America		-	7,900	7,900
North America		2,169	-	2,169
Other		-	462	462
Total revenue from contracts with customers		39,375	9,591	48,966

Notes to the financial statements

for the period ended 31 December 2020

Note 2: Expenses, finance income and finance costs

	31 Dec 2020 US $'000	31 Dec 2019 US $'000
2a) Corporate and administrative expenses		
Employee benefit expenses	**(4,513)**	(4,837)
Legal and consulting fees	**(780)**	(930)
Share-based payments	**(857)**	(905)
Travel	**(34)**	(647)
Insurance	**(526)**	(730)
Office & communication expenses	**(639)**	(829)
Listing & investor relations costs	**(514)**	(265)
Bank fees	**(459)**	(467)
Environmental monitoring & studies	**(160)**	(431)
Restructuring costs [i)]	**(3,499)**	-
Other costs	**(40)**	(755)
Total corporate and administrative expenses	**(12,021)**	(10,796)

[i)] During the period ended 31 December 2020 the Group incurred US $3.5 million resulting from restructuring costs. Included in such costs there were employee benefit expenses of US $1.2 million, a termination payment for a supply agreement of US $1.2 million, and fixed costs of US $1.1 million which were not allocated to the cost of inventories due to the reduction of production volumes resulting from COVID-19.

2b) Selling expenses		
Export duties	**(889)**	(2,558)
Mining royalty	**(108)**	(296)
Dispatching and logistics	**(738)**	(965)
Total selling costs	**(1,735)**	(3,819)

2c) Foreign currency gain/(loss)		
Total foreign currency gain/(loss) [i)]	**(457)**	(7,691)

[i)] Foreign currency losses relate to AUD denominated balances in the corporate entities and ARS balances in Borax Argentina SA and SDJ SA when converting to USD.

2d) Finance income		
Interest income from short term deposits	**951**	3,228
Changes in value of financial assets & liabilities	**675**	381
Total finance income	**1,626**	3,609

2e) Finance costs		
Interest expense on external loans and borrowings & other finance costs amortised	**(6,668)**	(6,232)
Interest expense on loans and borrowings from related parties [i)]	**(1,135)**	(507)
Interest expense on lease liabilities	**(1,263)**	(888)
Other finance costs related to related party loans	**(842)**	(1,274)
Change in fair value of financial assets and liabilities	**(3,837)**	(656)
Unwinding of the rehabilitation provision	**(161)**	(230)
Total finance costs	**(13,906)**	(9,787)

[i)] The interest expense to the related party is non-cash and will be paid on repayment of the loans. US $985,000 (2019: US $1,145,000) of the interest expense has been capitalised to PPE.

Notes to the financial statements

for the period ended 31 December 2020

Note 3: Impairment of assets

	31 Dec 2020 US $'000	31 Dec 2019 US $'000
Impairment of assets during the period:		
Inventory write downs and reduction to net realisable value [i]	**(116)**	(1,227)
Expected credit losses	**(34)**	(26)
Impairment of exploration and evaluation asset	**-**	(60)
Impairment of property plant and equipment [ii]	**(478)**	(444)
Impairment of investment in associates	**-**	(4,133)
Total	**(627)**	(5,890)

[i] Inventory (finished goods & brine inventory) was reviewed during the period with certain products identified with higher carrying values than their expected realisable value.
[ii] During the period, the Group recognised an impairment loss of Borax Argentina's PPE as a result of its impairment testing. This impairment has been recognised due to lower boron prices, reduction in production levels and other market factors.

Note 4: Income tax benefit/(expense)

The group's statutory effective tax rate for the half year ended 31 December 2020 is 12% (2019: 29%).

Note 5: Earnings/(loss) per share

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	31 Dec 2020 US $'000	31 Dec 2019 US $'000
(Loss)/profit attributable to ordinary equity holders of the parent:		
(Loss)/profit for the financial year	**(29,142)**	(18,943)
Exclude non-controlling interests	**10,223**	4,063
Net (loss)/ profit used in the calculation of basic and dilutive EPS	**(18,919)**	(14,880)
	No.	No.
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	**317,819,816**	261,688,902
Weighted average number of performance rights outstanding [i]	**-**	-
Weighted average number of ordinary shares outstanding during the period used in the calculation of dilutive EPS	**317,819,816**	261,688,902

[i] 2,177,997 (Dec 2019: 1,466,751) weighted average PR's outstanding for December 2020 that may be issued in the future and potentially dilute the earnings per share that have not been considered in the calculation due to anti-dilutive effect.

Note 6: Net cash

	Interest Rate	Maturity	31 Dec 2020 US $'000	30 Jun 2020 US $'000
Current				
Loans & borrowings - project loan A)	LIBOR + 0.8%	2021	**18,998**	20,725
Loans & borrowings - working capital facility B)	9.25% - 43.67%	2021	**18,431**	28,005
Related party loans C)			**-**	13,667
Total current			**37,429**	62,397
Non-current				
Loans & borrowings - project loan A)	LIBOR + 0.8% - 0.94%	2022-2029	**134,865**	112,798
Related party loans C)			**71,562**	44,815
Total non-current			**206,427**	157,613
Total debt			**243,856**	220,010
Cash at bank and on hand			**(22,144)**	(30,776)
Short term deposits D)			**(240,165)**	(141,060)
Total cash and cash equivalents			**(262,309)**	(171,836)
Financial assets - non-current E)			**(17,171)**	(17,171)
Net cash			**(35,624)**	31,003
Equity			**784,651**	690,574
Capital and net cash			**749,027**	721,577
Gearing ratio			**(5%)**	4%

A) The total project loan facility for Stage 1 is US $191.9 million. SDJ PTE has provided security in favour of Mizuho Bank over the shares its owns in SDJ SA. The total project loan facility for Stage 2 is US $180 million. US $79.5 million has been drawn down at 31 December 2020. The interest rate for Stage 2 is LIBOR + 0.94% until March 2021 being the end of the commitment period and an average fixed rate of 2.612% per annum until expiry in March 2029. Repayments commence in September 2022.

The carrying amounts of the loans and borrowings approximate fair value less transaction costs. Fair value has been determined using a discounted cash flow valuation technique based on contractual and expected cashflows and current market interest rates.

B) There are 5 working capital facilities of which 3 are denominated in ARS. Total value of the ARS facilities is ARS$ 979,000,000 (US $11,634,000) of which the average rate of borrowing is 43.67% per annum for a period of 77 days. The USD facility is US $6,500,000 and has a borrowing rate of 9.25% per annum for a period of 90 days.

C) Loan repayable to a related party - TTC & associated entities

Non-current borrowings owing to related parties is US $71.56 million. US $46.7 million is interest bearing at LIBOR + 6% per annum and will be repaid in full before March 2026. US $24.9 million is interest bearing at LIBOR + 6% per annum and will be repaid in full before March 2030. US $273,200 is interest bearing at LIBOR + 0.75% per annum and will be repaid in full before July 2028.

The loans repayable to TTC at 30 June 2020 have been restructured in the period, based on the new term dates these loans have been reclassified from current to non-current. A further loan drawdown from TTC during the period totals US $13.1 million.

Trade and other payables – non current includes US $10.3 million owing to related parties. This relates to accrued interest on TTC borrowings.

D) The effective interest rate on USD denominated short term deposits was 0.94% p.a. (2019: 1.62% p.a.). Short term deposits held at 31 December 2020 relate to project financing, rental and other security deposits. Short term deposits can be readily converted to cash with notice to the relevant financial institution with no substantial penalty.

Note 6: Net cash (continued)

Cash and short term deposits are disclosed in the cash flow statement, net of bank overdrafts. An amount of US $11.1 million and US $59.6 million have been set aside as reserves to provide cash backing for guarantees provided by TTC for the Naraha debt facility and the Stage 2 debt facility, respectively. In agreement with TTC, US $135 million of cash is to be reserved to support pre completion guarantees provided by TTC in relation to the Stage 2 loan facility of US $180 million. Amounts are reserved as the debt facilities are drawn down. Of the maximum reserve funds of US $135 million up to US $60 million can be used for Olaroz Stage 1 related costs including scheduled debt repayments. The remaining US $75 million reserve funds plus any of the unused US $60 million (at 31 December fully unused) will remain reserved as a cash guarantee for the Stage 2 Mizuho loan. These funds will be available to fund cost overruns, VAT and working capital spend. All funds held in reserve accounts are controlled by Orocobre. The requirement to maintain reserve accounts will cease once TTC is no longer required to provide pre completion guarantees.

E) The non-current financial assets are long term cash deposits funded by shareholders to partially secure borrowings of the Group. These deposits are non-interest bearing and are generally held until the borrowings have been repaid. The carrying value approximates fair value.

Capital management
Capital includes equity attributable to the equity holders of the Parent. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios to support its business and maximise shareholder value.

The Group manages its capital structure and adjusts it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the financial year. The change in the gearing ratio in the current year reflects the increase in cash held in term deposits following on from the capital raise.

Note 7: Equity and reserves

7a) Issued capital

Reconciliation of the movement in fully paid ordinary share capital is set out below:

	31 Dec 2020 No. shares	30 Jun 2020 No. shares	**31 Dec 2020 US $'000**	30 Jun 2020 US $'000
Balance at the beginning of year	**277,092,327**	261,678,074	**548,462**	527,716
Performance rights exercised [i]	-	232,818	**-**	-
Shares issued, net of transactions costs [ii]	**66,951,229**	15,181,435	**120,050**	20,746
Balance at the end of year	**344,043,556**	277,092,327	**668,512**	548,462

i) Represents performance rights exercised under the Company's share-based payments plan and executive service agreements.
ii) Transaction costs (net of tax) for the shares issued during the period were US $3.7 million (June 2020: nil).

On 2 September 2020 50,046,288 new fully paid ordinary shares were issued under an equity raise. The new shares were issued at A$2.52, a 13.1% discount to Orocobre's closing price of A$2.90 on the ASX on Thursday, 27 August 2020.

On 2 October 2020 16,904,941 new fully paid ordinary shares were issued under the Share Purchase Plan. The new shares were issued at A$2.52.

Note 7: Equity and reserves (continued)

7b) Reserves

	Share-based payments US $'000	Cashflow hedge US $'000	Foreign currency translation US $'000	Other US $'000	Total US $'000
Balance as at 1 July 2019	6,352	(1,598)	(36,496)	(434)	(32,176)
Translation gains on foreign operations	-	-	(106)	-	(106)
Cashflow hedge through OCI	-	258	-	-	258
Share of associate OCI	-	-	-	30	30
Other comprehensive income/(loss)	-	258	(106)	30	182
Share-based payments	917	-	-	-	917
Transfer of retained earnings to legal & discretionary reserve	-	-	-	13,356	13,356
Realisation of OCI to retained earnings	-	-	-	427	427
Balance as at 31 December 2019	7,269	(1,340)	(36,602)	13,379	(17,294)

	Share-based payments US $'000	**Cashflow hedge US $'000**	**Foreign currency translation US $'000**	**Other US $'000**	**Total US $'000**
Balance as at 1 July 2020	**7,829**	**(2,362)**	**(35,453)**	**13,378**	**(16,608)**
Translation losses on foreign operations	**-**	**-**	**1,016**	**-**	**1,016**
Cashflow hedge through OCI	**-**	**640**	**-**	**-**	**640**
Other comprehensive income/(loss)	**-**	**640**	**1,016**	**-**	**1,656**
Share-based payments	**1,173**	**-**	**-**	**-**	**1,173**
Balance as at 31 December 2020	**9,002**	**(1,722)**	**(34,437)**	**13,378**	**(13,779)**

Note 8: Financial instruments

	Carrying amount		**Fair value**	
	31 Dec 2020 US $'000	30 Jun 2020 US $'000	**31 Dec 2020 US $'000**	30 Jun 2020 US $'000
Financial assets				
Cash and cash equivalents	**262,309**	171,836	**262,309**	171,836
Financial assets - non-current	**17,171**	17,171	**17,171**	17,171
Financial assets at amortised cost:				
Trade and other receivables - current	**17,775**	16,403	**17,775**	16,403
Trade and other receivables - non-current	**18,413**	18,424	**18,413**	18,424
Total financial assets	**315,668**	223,834	**315,668**	223,834

Notes to the financial statements

for the period ended 31 December 2020

Note 8: Financial instruments (continued)

	Carrying amount		Fair value	
	31 Dec 2020	30 Jun 2020	**31 Dec 2020**	30 Jun 2020
	US $'000	US $'000	**US $'000**	US $'000
Financial liabilities				
Financial liabilities at amortised cost:				
Trade and other payables - current	**23,770**	36,956	**23,770**	36,956
Trade and other payables - non-current	**18,547**	5,396	**18,547**	5,396
Loans and borrowings - current	**37,429**	62,397	**37,429**	62,397
Loans and borrowings - non-current	**206,427**	157,613	**206,427**	157,613
Financial liabilities at fair value:				
Derivatives - interest rate swap	**7,095**	8,360	**7,095**	8,360
Total financial liabilities	**293,268**	270,722	**293,268**	270,722

Undiscounted contractual maturities of financial liabilities:

	Within 12 months	**1 to 5 years**	**Over 5 years**	**Total**
	US $'000	**US $'000**	**US $'000**	**US $'000**
Payables	**23,770**	**18,547**	**-**	**42,317**
Loans and borrowings	**40,845**	**213,725**	**174,498**	**429,068**
Lease liabilities	**3,496**	**15,645**	**12,561**	**31,702**
Derivatives - interest rate swap	**2,980**	**4,134**	**-**	**7,114**
Total as at 31 December 2020	**71,091**	**252,051**	**187,059**	**510,201**
Payables	36,956	5,396	-	42,352
Loans and borrowings	68,348	72,352	53,808	194,508
Lease liabilities	5,122	27,990	17,477	50,589
Derivatives - interest rate swap	2,903	5,490	-	8,393
Total as at 30 June 2020	113,329	111,228	71,285	295,842

Note 9: Investment in associates

	% equity interest held by the Group	
	31 Dec 2020	30 Jun 2020
Advantage Lithium Limited (AAL)	**100.00**	100.00
Toyotsu Lithium Corporation (TLC)	**75.00**	75.00

Note 9: Investment in associates (continued)

Reconciliation of the movement in investment in associates is set out below:

	AAL [1]		**TLC**		**Total**	
	31 Dec 2020 US $'000	30 Jun 2020 US $'000	**31 Dec 2020 US $'000**	30 Jun 2020 US $'000	**31 Dec 2020 US $'000**	30 Jun 2020 US $'000
Balance at the beginning of year	**-**	21,972	**6,000**	6,807	**6,000**	28,779
Purchase of shares - paid in cash	**-**	1,178	**-**	-	**-**	1,178
Loss from equity accounted investment in associates	**-**	(704)	**(920)**	(803)	**(920)**	(1,507)
Fair value of asset through OCI	**-**	31	**-**	-	**-**	31
Foreign currency translation reserve	**-**	(4)	**247**	(4)	**247**	(8)
Loss on fair value of associates	**-**	(10,329)	**-**	-	**-**	(10,329)
Foreign currency loss on impairment	**-**	(1,169)	**-**	-	**-**	(1,169)
Purchase of shares - paid with equity	**-**	20,610	**-**	-	**-**	20,610
Transfer to asset acquisition	**-**	(31,584)	**-**		**-**	(31,584)
Balance at the end of year	**-**	-	**5,327**	6,000	**5,327**	6,000

[1] On 17 April 2020, Orocobre completed the acquisition of 100% of the issued and outstanding shares of AAL that it did not already own. At such date Orocobre remeasured the carrying value of its investment in Advantage Lithium and it ceased to be an associate as it became a wholly owned subsidiary.

Note 10: New and revised accounting standards and interpretations

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2020, except for the adoption of new standards effective as of 1 July 2020. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments and interpretations apply for the first time in 2020, but do not have an impact on the interim consolidated financial statements of the Group.

Note 11: Subsequent events

There were no significant events after balance sheet date.

In accordance with a resolution of the Directors of Orocobre Limited, I state that:

1. In the opinion of the Directors:

   a) the financial statements and notes of Orocobre Limited for the half-year ended 31 December 2020 are in accordance with the *Corporations Act 2001*, including:

      i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and

      ii. complying with Accounting Standards and the Corporations Regulations 2001;

2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Robert Hubbard	**Martín Pérez de Solay**
Chairman	Managing Director and CEO

Dated this: 26th day of February 2021

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Independent auditor's review report to the members of Orocobre Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Orocobre Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2020 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's consolidated financial position as at 31 December 2020 and its consolidated financial performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Ernst & Young

Andrew Carrick
Partner
Brisbane
26 February 2021

SCHEDULE OF TENEMENTS

Project Area: Olaroz

Tenement Number	Area (Hectares)	Orocobre Interest	Location of Tenements
1842-S-12	2988.19	66.5%	Argentina
131-I-1986	100		Argentina
39-M-1998	98.4		Argentina
112-G-04	100		Argentina
117-A-44	100		Argentina
114-V-44	100		Argentina
40-M-1998	100		Argentina
29-M-1996	100		Argentina
126-T-44	100		Argentina
393-B-44	100		Argentina
112-D-44	300		Argentina
125-S-44	100		Argentina
319-T-2005	1473.97		Argentina
147-L-2003	1933,81		Argentina
943-R-2008	563.79		Argentina
1136-R-2009	1198.21		Argentina
1137-R-2009	1199.34		Argentina
944-R-2008	432.3		Argentina
1134-R-2009	895.7		Argentina
1135-R-2009	1098.64		Argentina
963-R-2008	1194.84		Argentina
964-R-2008	799.84		Argentina
056-L-1991	300		Argentina
1274-O-2009	5972		Argentina
945-R-2008	1493.97		Argentina
520-L-2006	1896.52		Argentina
521-L-2006	2048		Argentina
522-L-2006	2000		Argentina
725-L-2007	2940.43		Argentina
726-L-2007	2889.84		Argentina
728-L-2007	3182.51		Argentina
530-L-2006	6130.3		Argentina
727-L-2007	3117.10		Argentina

Tenement Number	Area (Hectares)	Orocobre Interest	Location of Tenements
724-L-2007	3342,19		Argentina
519-L-06	2001		Argentina

Project Area: Cauchari

Tenement Number	Area (Hectares)	Orocobre Interest	Location of Tenements
2055-R-2014	495.38	South American Salars S.A. **(SAS SA)** is the holder of all Cauchari tenements. Pursuant to the terms of the Cauchari Joint Venture (i) SAS SA is owned as to 75% by Orocobre and as to 25% by La Frontera S.A. and (ii) there is 1% royalty of Cauchari tenements in favour of La Frontera S.A. Orocobre holds 85% of La Frontera SA.	Argentina
2054-R-2014	445.74		Argentina
2059-R-2014	912.71		Argentina
2058-R-2014	1770.01		Argentina
2053-R-2014	1997.09		Argentina
1155-P-2009	1500		Argentina
968 –R- 2008	1028.73		Argentina
1081- P -2008	1245.21		Argentina
1119-P-2009	2493.07		Argentina
1082 -P -2008	1468.87		Argentina
1101 -P -2008	2483.9		Argentina
966 -R -2008	117.70		Argentina
965- R -2008	1344.97		Argentina
951-R-2008	797.12		Argentina
1083 -P -2008	1144.29		Argentina
1118-P-2009	2395.69		Argentina
1130-P-2009	1261.75		Argentina
952-R-2008	487.58		Argentina
1084 -P -2008	1526.79		Argentina
1156-P-2009	54.52		Argentina
1086- P -2008	1716.63		Argentina
1085 -P -2008	1922.63		Argentina

Project Area: Salinas Grandes

Tenement Number	Area (Hectares)	Orocobre Interest	Location of Tenements
184-Z-1996	299.99		Argentina
817-I-2007	1142.54		Argentina
604-T-2006	499.99		Argentina
788-M-2007	1172.92		Argentina
183-Z-2004	499.98		Argentina
184-D-1990	99.99		Argentina
19391	2411.97		Argentina
18199	500		Argentina
67	100		Argentina
18834	495.82		Argentina
17734	200		Argentina
60	100		Argentina
1104	100		Argentina

Tenement Number	Area (Hectares)	Orocobre Interest	Location of Tenements
13699	100	LSC Lithium Inc owns the Salina Grandes Project properties. La Frontera Minerals S.A. (Orocobre 85%) holds a 2% Mine Mouth Royalty over production from Salinas Grandes.	Argentina
18808	100		Argentina
266	100		Argentina
18183	2778		Argentina
12790	100		Argentina
19891	100		Argentina
62	100		Argentina
17681	400		Argentina
8170	300		Argentina
18481	97.04		Argentina
1112	100		Argentina
13487	100		Argentina
14329	100		Argentina
57	100		Argentina
68	100		Argentina
17538	95.43		Argentina
14589	100		Argentina
18924	300		Argentina
18925	99.94		Argentina
19206	869		Argentina
11577	100		Argentina
11578	100		Argentina
11579	100		Argentina
11580	100		Argentina
1111	100		Argentina
18833	270		Argentina
17321	186		Argentina
53	100		Argentina
19742	2490.07		Argentina
19744	2499.97		Argentina
19766	1000		Argentina
48	100		Argentina
203	100		Argentina
204	100		Argentina
54	100		Argentina
63	100		Argentina
50	100		Argentina
1105	100		Argentina
65	100		Argentina
70	100		Argentina

Tenement Number	Area (Hectares)	Orocobre Interest	Location of Tenements
206	100		Argentina
86	300		Argentina
17744	500		Argentina
18533	97.03		Argentina
17580	100		Argentina
Project Area: Salar del Hombre Muerto - Tincalayu			
1271	300	100% Borax Argentina S.A. (BRX SA). POSCO SA holds an usufruct to extract brines from 1215, 5596, 13848, 1495 and 17335.	Argentina
1215	300		Argentina
1495	200		Argentina
7772	471		Argentina
5596	300		Argentina
5435	300		Argentina
8529	900		Argentina
13572	647		Argentina
13848	100		Argentina
17335	274.32		Argentina
Project Area: Salar Santa Rosa de los Pastos Grandes - Sijes			
8587	799	100% Borax Argentina S.A. (BRX SA).	Argentina
11800	488		Argentina
11801	400		Argentina
11802	3399		Argentina
14121	10		Argentina
5786	200		Argentina
14801 B (Demasía Sijes)	18		Argentina
20605 (Mina Rio Sijes)	100		Argentina
Project Area: Salar de Cauchari			
394 B	300	100% Borax Argentina S.A. (BRX SA). Exar SA holds a usufruct over all tenements for the extraction brines.	Argentina
336 C	100		Argentina
347 C	100		Argentina
354 C	160		Argentina
340 C	100		Argentina
444 P	100		Argentina
353 C	300		Argentina
350 C	100		Argentina
89 N	100		Argentina
345 C	100		Argentina

Tenement Number	Area (Hectares)	Orocobre Interest	Location of Tenements
344 C	100		Argentina
343 C	100		Argentina
352 C	100		Argentina
351 C	100		Argentina
365 V	100		Argentina
122 D	100		Argentina
221 S	100		Argentina
190 R	100		Argentina
116 D	100		Argentina
117 D	300		Argentina
389 B	100		Argentina
206 B	24		Argentina
402 B	119		Argentina
195 S	100		Argentina
220 S	100		Argentina
259 M	100		Argentina
43 E	100		Argentina
341 C	100		Argentina
42 D	100		Argentina
438 G	100		Argentina
160 T	100		Argentina
378 C	100		Argentina
339-C	100		Argentina
377-C	100		Argentina
191-R	100		Argentina

Project Area: Salar de Diablillos

1175	100	100% Potasio y Litio de Argentina S.A. (PLASA) is the holder of all Diablillos tenure. Borax holds an usufruct for the extraction of borates from the Diablillos tenements. Orocobre Lithium S.A. (Orocobre 100%) holds a 1% net revenue	Argentina
1176	100		Argentina
1164	100		Argentina
1172	100		Argentina
1165	100		Argentina
1166	100		Argentina
1179	100		Argentina
1180	200		Argentina
1182	100		Argentina
1195	100		Argentina
1206	100		Argentina
1168	100		Argentina
1163	100		Argentina

Tenement Number	Area (Hectares)	Orocobre Interest	Location of Tenements
1167	100	royalty overall production by PLASA from the tenements.	Argentina
1170	100		Argentina
1174	100		Argentina
1171	100		Argentina
7021	100		Argentina
1181	100		Argentina
12653	200		Argentina
1173	100		Argentina
1169	100		Argentina
1178	100		Argentina
12652	200		Argentina


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