

## ASX/TSX ANNOUNCEMENT

19 January 2018

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### **SUCCESSFUL COMPLETION OF THE INSTITUTIONAL ENTITLEMENT OFFER AND SETTLEMENT OF THE FIRST TRANCHE OF THE STRATEGIC PLACEMENT TO TOYOTA TSUSHO**

Orocobre Limited (**ASX: ORE, TSX: ORL**) ("**Orocobre**" or "**the Company**"), is pleased to announce the successful completion of the institutional component ("**Institutional Entitlement Offer**") of its approximately A\$79 million fully underwritten 1 for 20 accelerated pro rata renounceable entitlement offer with retail entitlements trading on the ASX ("**Entitlement Offer**").

The Entitlement Offer was announced to the market on 16 January 2018, in conjunction with a A\$282 million strategic placement to Toyota Tsusho Corporation ("**Toyota Tsusho**") at a price of A\$7.50 per share ("**Strategic Placement**"). The first tranche of the Strategic Placement settled on 18 January 2018 and raised A\$234 million. The second tranche will raise a further A\$47 million and is subject to shareholder approval at the General Meeting to be held on Monday, 26 February 2018.

#### **SUMMARY OF THE INSTITUTIONAL ENTITLEMENT OFFER**

- The Institutional Entitlement Offer raised gross proceeds of approximately A\$34 million and will result in the issue of approximately 5.2 million new Orocobre ordinary shares ("**New Shares**").
- The Institutional Entitlement Offer was very strongly supported by Orocobre's institutional shareholders, with approximately 97% of entitlements available to accelerated institutional shareholders taken up.
- The bookbuild for the ~140,000 renounced entitlements ("**Institutional Shortfall Bookbuild**") saw strong demand, pricing at A\$7.25 per New Share, a \$0.70 per share premium over the offer price of A\$6.55 ("**Offer Price**") and A\$0.11 above the theoretical ex-rights price ("**TERP**")<sup>1</sup> of A\$7.14 per share.

Orocobre Managing Director and CEO Richard Seville said: "We are delighted to welcome Toyota Tsusho to the Orocobre register. This transaction reflects the strength of the relationship that has developed since the first funding and partnership agreement in January 2010, and will be the cornerstone of a much

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<sup>1</sup> The TERP is a theoretical price at which Orocobre shares trade immediately after the ex-date for the Entitlement Offer assuming 100% take-up of the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which Orocobre shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to Orocobre's closing price of A\$7.17 on Monday, 15 January 2018

longer relationship as we jointly develop the Olaroz lithium facility for supply into the rapidly growing electric vehicle market.

We are also extremely pleased with the strong level of take up under the Institutional Entitlement Offer and would like to thank our institutional shareholders for their ongoing support.

The larger phase 2 expansion at Olaroz is now fully funded and we are happy to provide our existing shareholders an opportunity to participate in this step-change transaction through the Entitlement Offer."

The Institutional Shortfall Bookbuild was completed on 18 January 2018. Eligible institutional shareholders who elected not to take up their entitlements will receive A\$0.70 for each entitlement sold for their benefit in the Institutional Shortfall Bookbuild, less any applicable withholding tax.

Settlement of the New Shares to be issued as part of the Institutional Entitlement Offer will occur on 29 January 2018, and New Shares will be allotted and commence trading on 30 January 2018. The New Shares will rank equally with existing ordinary Orocobre shares.

### **COMMENCEMENT OF RETAIL OFFER**

The retail component of the Entitlement Offer ("**Retail Entitlement Offer**") will open on 23 January 2018, and is expected to raise approximately A\$45 million. Eligible retail shareholders in Australia and New Zealand will have the opportunity to participate in the Retail Entitlement Offer at the same Offer Price as the Institutional Entitlement Offer, being A\$6.55.

Eligible retail shareholders will be entitled to subscribe for 1 New Share for every 20 existing Orocobre ordinary shares held at 7.00pm (AEDT) on 19 January 2018. Eligible retail shareholders may also sell their entitlements on the ASX, with trading to commence on 19 January 2018 (on a deferred settlement basis) and conclude on 25 January 2018.

The Retail Entitlement Offer will close at 5.00pm (AEDT) on 2 February 2018. Retail entitlements that are not exercised by eligible retail shareholders by the close of the Retail Entitlement Offer, and entitlements that would otherwise have been offered to ineligible retail shareholders, will be sold through the retail shortfall bookbuild which will open on 7 February 2018.

Any proceeds of sale in excess of the Offer Price (net of any withholding tax) will be paid to renouncing and ineligible shareholders. There is no guarantee that there will be any proceeds. The ability to sell entitlements under the bookbuild process and the ability to obtain any premium will be dependent upon various factors, including market conditions.

### **FURTHER INFORMATION**

Further details on the Strategic Placement and the Entitlement Offer are set out in the Investor Presentation lodged with the ASX on 16 January 2018. This includes important information on the Entitlement Offer, including key risks involved in an investment in Orocobre and the selling restrictions in respect of the Institutional Entitlement Offer. Eligible retail shareholders wishing to participate in the Retail Entitlement Offer should carefully read the Retail Information Booklet and the accompanying personalised entitlement and acceptance form, which are expected to be despatched to eligible retail shareholders on 23 January 2018.

Retail shareholders who have any questions about the Retail Entitlement Offer should speak with their broker or advisor and/or call the Orocobre Offer Information Line on 1300 117 912 (within Australia) or +61 3 9415 4337 (outside Australia) from 8.30am to 5.00pm (AEDT) Monday to Friday during the Retail Entitlement Offer.

**About Orocobre Limited**

Orocobre Limited (Orocobre) is a dynamic global lithium carbonate supplier and an established producer of boron.

Orocobre is dual listed on the Australia and Toronto Stock Exchanges (ASX: ORE), (TSE: ORL). Orocobre's operations include its Olaroz Lithium Facility in Northern Argentina, Borax Argentina, an established Argentine boron minerals and refined chemicals producer and a 33% interest in Advantage Lithium.

For further information, please visit [www.orocobre.com](http://www.orocobre.com)

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