

ASX / TSX ANNOUNCEMENT

28 August 2020

Major new MOU signed with Prime Planet Energy & Solutions Inc.

Orocobre Limited (**ASX: ORE, TSX: ORL**) (**Orocobre or the Company**) advises that a Memorandum of Understanding (**MOU**) has been signed by Orocobre, Sales de Jujuy (**SDJ**, the operator of the Olaroz lithium facility), Toyota Tsusho Corporation (**TTC**), Toyotsu Lithium Corporation (**TLC**, the TTC subsidiary in Naraha joint venture) and Prime Planet and Energy Solutions Inc. (**PPES**) for the supply of battery grade lithium hydroxide and lithium carbonate for use in PPES battery production supply chain.

PPES is a 51%/49% joint venture between Toyota Motor Corporation and Panasonic.

The MOU requires Orocobre/SDJ/TTC/TLC to supply PPES up to 30,000 tonnes of lithium carbonate equivalent (**LCE**) per year by 2025 with initial deliveries commencing from 2021. It is anticipated that a majority of the LCE will be in the form of lithium hydroxide from the existing Naraha plant and a future expansion of lithium hydroxide production capacity. It is expected the expanded Naraha lithium hydroxide plant will source primary grade lithium carbonate feedstock from the Olaroz Lithium Facility.

A pricing framework will be finalised with a Binding Supply Agreement. The Binding Supply Agreement is expected to take 12 months to complete, however Orocobre and joint venture partners in SDJ are continuing work to expand operations to meet the required production rates.

Orocobre Managing Director and CEO, Mr Martín Pérez de Solay said, “This MOU is a major development for Orocobre and will underpin the current expansion of the Olaroz Lithium Facility. Having such a large volume of production under set pricing structures will also remove volatility of product pricing and is expected to deliver improved results.

“We are pleased to further develop our long standing relationship with Toyota group companies and look forward to working with them for many years to come.”

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About Orocobre Limited

Orocobre Limited (Orocobre) is a dynamic global lithium carbonate producer and an established producer of boron. Orocobre is dual listed on the Australia and Toronto Stock Exchanges (ASX: ORE), (TSX: ORL). Orocobre's interests include its Olaroz Lithium Facility in Northern Argentina, a material JORC Resource in the adjacent Cauchari Basin and Borax Argentina, an established boron minerals and refined chemicals producer. The Company has commenced an expansion at Olaroz and construction of the Naraha Lithium Hydroxide Plant in Japan. For further information, please visit www.orocobre.com.