24 November 2016

ASX/TSX Announcement

Orocobre Partners with Advantage Lithium – Technical Details of Cauchari Flagship Lithium Asset

Highlights

- **The Cauchari project lies between Orocobre's producing Olaroz Lithium facility and the pre-development Cauchari project of Lithium Americas Corp and SQM**
- **The Cauchari project currently contains an inferred resource of approximately 470,000 tonnes lithium carbonate equivalent and 1.6 million tonnes of potash (Table 1)***
- **A revised exploration target of between 5.6 million tonnes and 0.25 million tonnes of lithium carbonate equivalent and 19 million tonnes to 0.9 million tonnes of potash (KCl) has been estimated beneath the resource to 350 metres deep in the eastern properties and to 450 metres deep in the western properties (Table 2).** ***It must be stressed that an exploration target is not a mineral resource.*** *The potential quantity and grade of the exploration target is conceptual in nature, and there has been insufficient exploration to define a Mineral Resource in the volume where the Exploration Target is outlined. It is uncertain if further exploration drilling will result in the determination of a Mineral Resource in this volume.*
- **Brine chemistry (Mg/Li ratio 2.8) is similar to that at Olaroz and initial evaluation of the process suggests the brine could be processed by a similar process route to Olaroz**

In conjunction with announcement of the joint venture (JV) between Orocobre Limited (ASX: ORE; TSX: ORI) (the Company or Orocobre) and Advantage Lithium Corp. (TSXV:AAL) (Advantage Lithium) on the Cauchari project ("Cauchari") in Jujuy Province, North West Argentina the company provides the following technical details.

As announced on October 22, 2012, the project currently contains an inferred resource in two adjoining areas of the salar, with a total 230 **million cubic metres of brine at average grades of 380 mg/L lithium and 3700 mg/L potassium. This is equivalent to 470,000 tonnes of lithium carbonate and 1.6 million tonnes of potash** (potassium chloride) based on 5.32 tonnes of lithium carbonate being equivalent to one tonne of lithium and 1.91 tonnes of potash being equivalent to one tonne of potassium. Details are given in the following table.

Table 1: Inferred resource estimate summary*

	Brine body parameters				Average resource concentrations		Tonnes contained			
Inferred Resource Area	Area km^2	Average thickness m	Mean specific yield %	Brine volume Million m^3	Lithium mg/l	Potassium mg/l	Lithium metal	Potassium	Lithium carbonate	Potash (KCl)
North 0-170 m	19.69	170	6.1%	204	400	3,800	81,000	780,000	430,000	1,500,000
South 0-50 m	11.35	50	4.6%	26	260	2,500	7,000	60,000	40,000	120,000
Combined	31.04			230	380	3,700	88,000	840,000	470,000	1,620,000

Note numbers in this table are rounded, to reflect best practice, and differ only on this basis from the table provided in the announcement of 22 October 2012. This resource is the maiden resource announced in October 2012

As per Canadian reporting requirements Advantage Lithium will release an NI 43-101 resource report within 45 days of this announcement related to the Cauchari transaction.

Due to differences in drill hole depths the resource was divided into a northern and a southern resource area. The resource was estimated using a conservative approach limited by the depth of drilling, with the estimate extending to 170 metres depth in the northern area of the properties and 50 metres depth in the southern area.

The resource boundaries are constrained by the company's property holdings, drilling results and geophysical survey interpretation. No internal cut-off boundaries have been used because both the Company and Competent Person/Qualified person consider it is inappropriate to apply them in a fluid resource where extraction will cause mixing. No external cut off was defined for the resource, due to the limited drilling and pit sampling completed on the project to date. The property boundaries were used as the western, northern and southern boundaries to the brine resource. Hole CAU006R was excluded from the resource due to a different drilling and sampling methodology and sub 100 mg/l Li composite sample results.

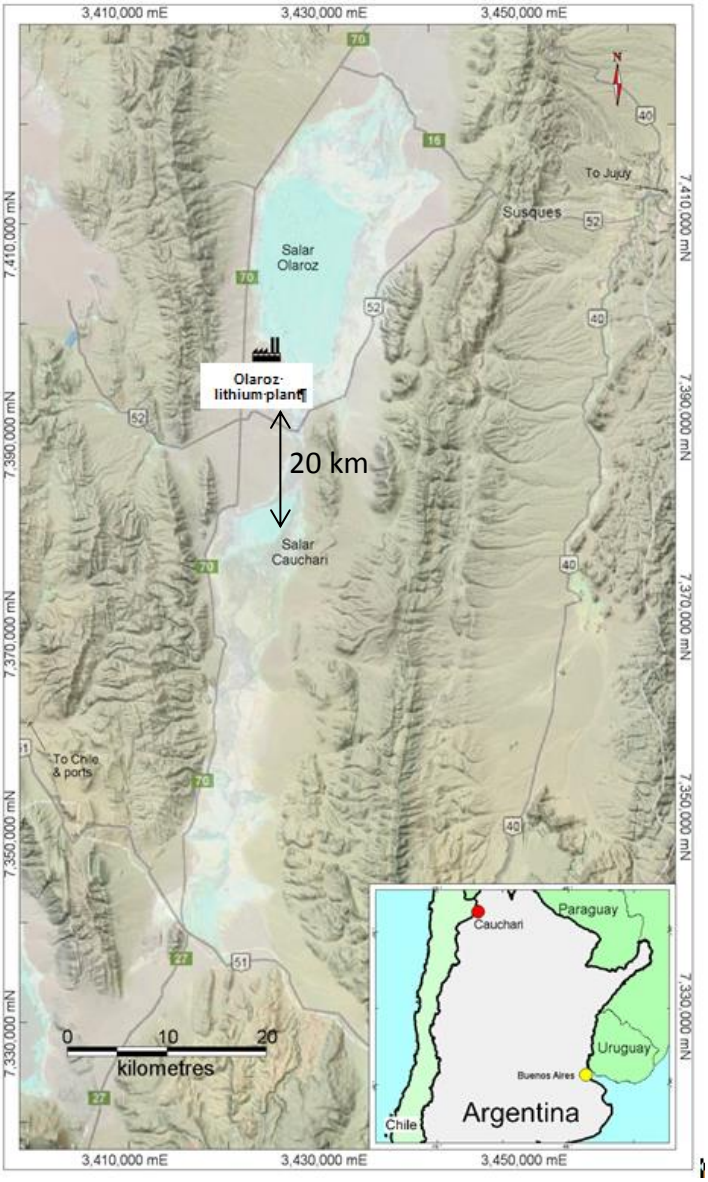
The brine body has attractive chemistry, with a low magnesium to lithium ratio (2.8) in the five diamond holes and a high potassium to lithium ratio (10). The sulphate to lithium ratio averages 61 in diamond holes CAU001D-4D, rising to 114 in hole CAU005D in the eastern part of the resource area. Initial evaluation of the brine chemistry suggests high recoveries of lithium could be expected using a process route similar to that at the adjacent Olaroz project.

Introduction

The Cauchari Project is located immediately south of the Company's Olaroz lithium-potassium project (Figure 1), within the Province of Jujuy, Argentina. From October to December 2011 the company drilled five diamond and one rotary vertical drill holes in the Cauchari properties, followed by chemical analyses of the brine and porosity testing. This work provided the basis of the maiden resource estimate in 2012, by independent consulting hydrogeologist Murray Brooker, and other conclusions presented in this announcement.

Orocobre activities have concentrated on exploration and development planning at the Olaroz salar project since 2008 with the project now in the final stages of production ramp up. The Olaroz lithium facility has a design capacity 17,500 tonnes per annum of lithium carbonate production and the company has recently completed a scoping study into options for expansion of the project. Joint venture of the Cauchari project allows the company to concentrate on optimised operations and expansion at Olaroz.

Figure 1: The location of the Cauchari and Olaroz projects in northern Argentina



Geology, Data and Interpretation

The company collected Audiomagnetotelluric (AMT) and gravity geophysical measurements in the salar prior to drilling in 2011. The Cauchari North geophysical line (in the resource area) suggests the eastern JV properties contain in excess of 350-400 metres of salar sediments, providing an attractive target for future drilling. Drilling on adjacent properties within the Cauchari salar by Lithium Americas Corp (TSX:LAC) has intersected brine bearing salar sediments to 450 metres (DDH7) and recent drilling to the north in Olaroz, by Orocobre, has also intersected brine bearing sediments to a depth of 450 metres with geophysical surveys indicating a potentially greater basin depth. No drilling has intersected basement.

In late 2011 Orocobre drilled a total of six drill holes (five diamond and one rotary) in the Cauchari salar with the deepest hole CAU001D (in the north of the properties) drilled to 249 metres. Holes were drilled with an average spacing of 3.3 kilometres. Drilling intersected from surface a sequence of silt and clay up

to 60 metres thick, overlying a sequence of halite, interbedded with intervals of clastic sediment to the base of drilling. Down-hole geophysical logging data was collected to assist with correlation between holes. All holes were geologically logged in detail by an experienced geologist and photographs of the core taken. Details of the exploration undertaken in the drilling program were provided by Orocobre in the ASX/TSX announcement dated 22 October 2012.

The western Cauchari properties are adjacent to where Lithium Americas Corp interprets brine to continue beneath the Archibarca alluvial fan. Geophysics carried out by Lithium Americas Corp (NI43-101 report, July 12, 2012) suggests that brine continues beneath a near surface fresh water zone and a mixed zone on both the western and eastern margins of the salar. No exploration drilling has yet been carried out in the JV western Cauchari properties and this is a priority area for future work.

Resource Estimation

The 31.04 km^2 areal extent of the maiden 2012 Cauchari resource was controlled by the location of the property boundaries, drilling results, geophysical profiles and salar geomorphology. The resource estimate is based on geological controls from the six holes drilled, with rotary drill hole CAU006R lying outside the resource area. Brine composite samples were taken with a bailer at a vertical spacing of 1.5, 3 and 6 metres during the diamond drilling. The location of the holes was controlled by access to the salar, with embankments constructed to reach sites and drill before the commencement of the wet season in early January. Drill holes were located with a hand held GPS.

Mean Sy (Drainable Porosity) values from the porosity analyses were used to calculate a weighted Sy value for each drill hole, based on the lithologies and thicknesses recorded during logging. A continuous Sy value was also calculated for each hole, where geophysical logging (neutron logs) was available. Continuous Sy values were calculated using an algorithm relating neutron porosities (recorded every centimetre down hole during geophysical logging) and Pt values; using a modification of the methodology outlined by Houston and Gunn (2011). The results of the lithology-weighted and the continuous Sy values were then averaged to obtain a Sy value for each hole, as input to the resource estimate.

The averaged Sy data for each hole was used to calculate an equivalent brine thickness at the location of each diamond hole over a m^2 unit area (length of interval in hole [i.e. 170 metres] by Sy value = equivalent brine thickness for each hole as m/m^2).

The mass of lithium (Li), potassium (K) and boron (B) for the square metre centred on each diamond hole was calculated by multiplying the equivalent brine thickness (converted to a volume in litres) by the kg/l concentration of each element of interest in the diamond hole. This mass data from the diamond holes was then kriged across Orocobre's Cauchari tenements to produce concentration maps of kg/m^2 for Li, K and B. The sum of the individual grid cells provides the total resource mass as presented in Table 1 of this announcement.

Future Drilling by the Joint Venture

Only one of the holes in the 2011 drilling program, upon which the resource estimate is based, reached the then target depth of 250 metres. Based on a likely depth of the Cauchari basin to be 350-450 metres plus, there is considerable potential to add to the existing resource. Consequently, the company believes further drilling would significantly expand the size of the Cauchari resource.

A revised exploration target has been estimated to quantify the potential in addition to that beneath the resource announced in 22 October 2012. This addition to the exploration target is in the western

properties of the Cauchari project. This western target represents the extension of the deeper aquifer units present at Olaroz, immediately north of the joint venture western properties, which are likely to extend beneath the Archibarca alluvial fan into these western properties.

Exploration Target

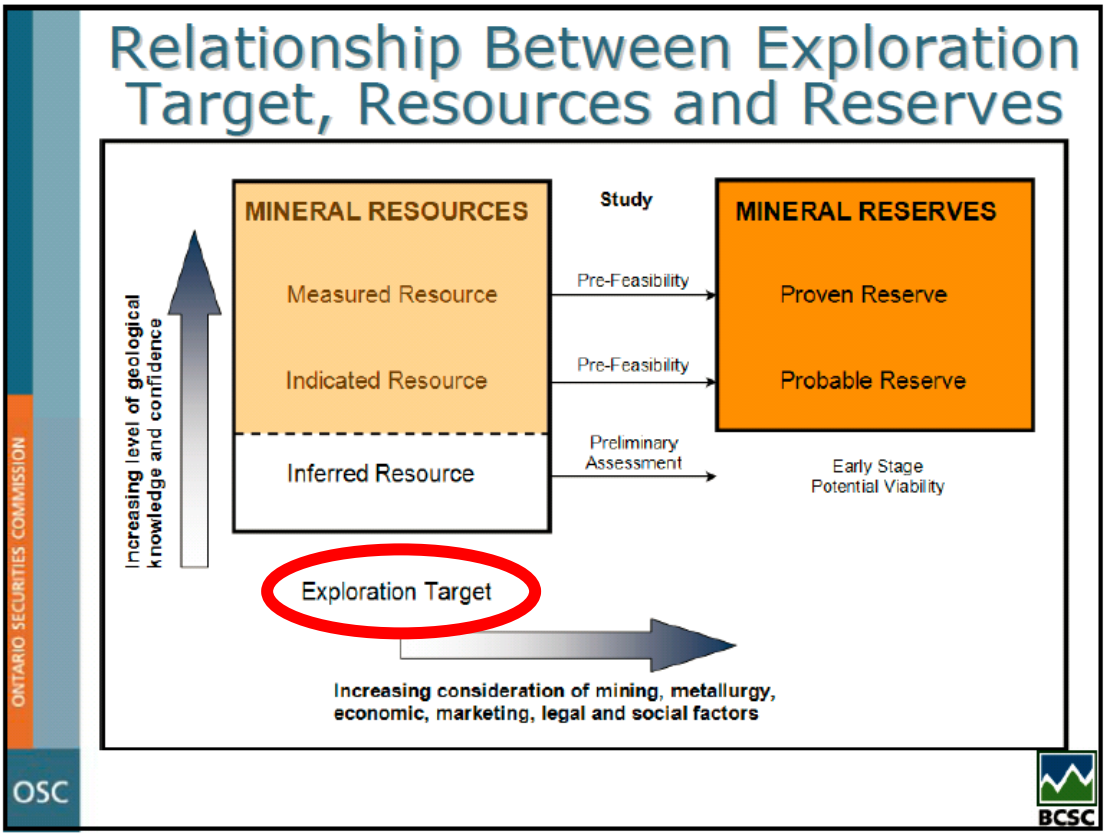
Based on available geophysics, geology and geochemistry it is possible to define an exploration target **beneath the resource and in the western properties, outlined in Table 2** of this announcement. The relationship of an exploration target to the CIM and JORC resource definitions is shown in Figure 2.

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

The exploration target is where, based on the available geological evidence, there is the possibility of defining a mineral resource. In keeping with Clause 18 of the JORC Code and CIM requirements the exploration target defined at Cauchari is:

- Not to be considered a resource or reserve,
- Based on information summarized below.

Figure 2: The relationship between exploration targets and resources (base diagram from Ontario Securities Commission)



It is a requirement of stating an exploration target that it is based on a range of values, which represent the potential geological conditions. Values have been selected to present an Upper and a Lower exploration target size. It is likely that the lithium and potassium contained in the exploration target lies somewhere between this Upper and Lower Case.

Information Used to Define the Exploration Target

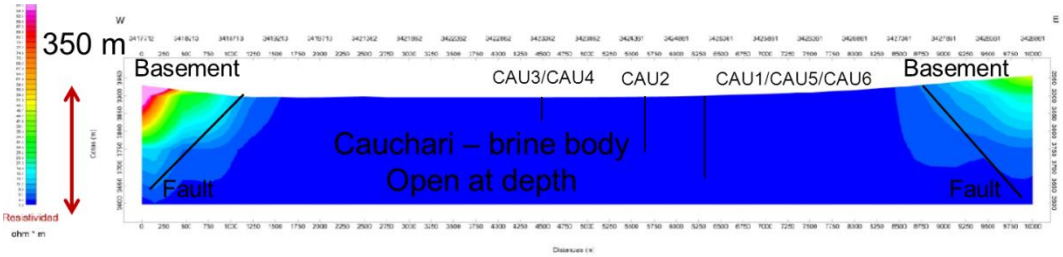
Orocobre's 2011 drilling intersected grades of >400 mg/l Li at or near the base of holes CAU001D (249 metres), CAU002D (186 metres) and CAU005D (168 metres). Accordingly, elevated Li grades may continue beneath the depth of the Cauchari northern and southern resource areas (170 metres and 50 metres respectively) and beneath the depth of CAU001D.

Orocobre previously conducted a geophysical survey in the Cauchari Resource area (Cauchari North line) in which gravity and Audiomagnetotelluric (AMT) data was collected. The AMT data (Figure 3) suggests brine is present in salar sediments beneath the Orocobre properties to depths of ~350 metres or more, with a coincident gravity survey suggesting depths of 300-450 metres or more to the salar basement.

Additional information is available from the work, including drilling and geophysics, undertaken by Lithium Americas Corp on adjacent properties. This information, which principally relates to the area immediately west of the Cauchari 2012 resource, suggests salar sediments were intersected to 449.5 metres (end of hole) below surface (hole DDH7 in Appendix 1 of King, 2010), with multiple other holes intersecting salar sediments to 350 metres deep. This suggests that beneath the western properties south of the Olaroz project a similar thickness of sediments is present, potentially with economic lithium brine concentrations.

Consequently, there is reason to believe the lithium-bearing brine in the Orocobre properties extends to 350-450 metres or deeper. The deeper drilling conducted by Lithium Americas Corp (Figure 7-7, feasibility study July 11, 2012) suggests there is a thick layer of sand underlying the halite sequence intersected in Orocobre drilling. This deep sand unit suggests potential for the same unit in the Cauchari project, beneath the depth of current drilling. Similarly, in the Orocobre Olaroz project to the north drilling has intersected sand units at this depth.

Figure 3: Cauchari North AMT line with Orocobre drill holes projected onto the section



Estimation of the Exploration Target

The following parameters have been used to estimate an Upper Assumption and Lower Assumption case for lithium and potassium in the Cauchari Exploration Target. The former uses the higher values for all parameters and the latter uses the lower values. Values used are shown in Table 2.

The thickness of the resource (Table 1) depends on the drilling depths of Orocobre holes and has been separated into a northern and southern area reflecting this. The eastern part of the exploration target

(**defined to lie immediately below the resource**) is consequently also separated into a northern and southern target under the same surface outlines.

Area

- The Northern target covers 19.69 km^2;
- The southern target 11.35 km^2;
- The northwestern target of 22 km^2
- A small southwestern target of 2.4 km^2

The total area (eastern and western areas and subareas) is 55.44 km^2.

Thickness

A variable thickness is used for the target estimate, depending on the thickness of the overlying resource area and the potential thickness of gravels without Li-mineralised brine in the western area, based on information from nearby drilling in adjacent properties.

Eastern tenements

- In the northern area, a thickness of 180 metres (from 170 to 350 metres depth) as the Upper Assumption and the Lower Assumption; and
- In the southern area, a thickness of 300 metres (from 50-350 metres depth) as the Upper Assumption and 170 metres (from 50 to 220 metres) as the Lower Assumption, to account for the possibility of basement closer to surface or a thinner brine column.

Western tenements

- In the northwestern area, a thickness of 300 metres (from 150 to 450 metres depth) is the Upper Assumption reducing to 150 metres in the Lower Assumption; and
- In the southwestern area, a thickness of 300 metres (from 50 to 350 metres depth) is the Upper Assumption and 200 metres (from 50 to 250 metres) as the Lower Assumption, to account for the possibility of basement closer to surface or a thinner brine column.

Porosity

Porosity is a vital measurement in determining a brine resource and it is important to understand the difference between definitions of porosity. Only part of the total porosity (Pt) consists of interconnected pores that can be drained. The drainable porosity component is referred to as the specific yield (Sy) – the proportion of water that can be yielded when the aquifer is pumped.

The BGS Sy measurements at Cauchari and Olaroz have been used for the porosity values in the exploration target estimate.

- For the Upper Assumption 13% is used as the specific yield (equivalent to the sand dominant Sy at Olaroz or a mixture of porous halite [16% at Cauchari] and some finer grained sediments)
- For the Lower Assumption 2% is used as the specific yield (equivalent to compact halite at Cauchari)

Lithium and Potassium Concentrations

- A value of 537 mg/L for Li and 5350 mg/l K is used in the upside case for the eastern tenements, (equivalent to the average of chemistry data sets from CAU001D bailer and core extraction samples). This compares to values of 600 mg/l and 570 mg/l Li used for the updated Lithium Americas Corp resource (outlined in the 12 July 2012 Feasibility study). The corresponding K values determined by Lithium Americas Corp were 5156 and 4753 mg/l,
- A value of 260 mg/L Li and 2550 mg/L K is used in the Lower Assumption case (representing the lower grade values from the southern shallow part of the Orocobre Cauchari resource – see Table 1).

The contained lithium in the exploration target (combining values for the eastern and western areas – see Table 2) ranges from the Upper Assumption case of 5.6 million tonnes of lithium carbonate and 19 million tonnes of potash to the Lower Assumption case of 0.25 million tonnes of lithium carbonate and 0.9 million tonnes of potash. The concentrations in the Lower Assumption case are not economic brine grades at current market conditions. Note the total exploration target is different to that announced by Orocobre on 22 October 2012, as the exploration target in the western properties has been added, taking into consideration exploration results at the Company's Olaroz lithium project and the LAC Cauchari project.

It must be stressed the exploration target is based on a series of assumptions and future drilling is required to determine the brine grade and formation porosity (Sy) values to establish whether a resource can be defined.

Data Collection and QA/QC

Obtaining high quality samples in the field and ensuring that subsequent analysis of the samples was carried out to a high standard was considered of great importance, bearing in mind the technical challenges of sampling fluids (brines) and semi-consolidated sediments.

Orocobre's initial diamond drilling program in the Cauchari salar was conducted using lexan tubes in the place of the triple tube splits, to maximize core recovery and geological understanding. Notwithstanding the best efforts of geologists and contractors, core recoveries averaged 76%. Down-hole geophysical logging was undertaken on diamond drill holes to provide additional geological information. Fluorescein (biodegradable) dye was used in the drilling fluid, to indicate whether brine samples taken with a bailer during the drilling were contaminated with drilling fluid.

Table 2: Exploration Target Upper and Lower Assumption Case Estimates. The Exploration Target in the Eastern Area underlies the resource and in the Western Area is separate to and does not include the resource (see Table 1 for resource values)

UPPER ASSUMPTION ESTIMATE - EASTERN AREA									
Area km^2	Thickness m (to 350 m depth)	Mean specific yield %	Brine volume million m^3	Li Concentration mg/L	Contained Li metric tonnes	Lithium carbonate metric tonnes	K Concentration mg/L	Contained K metric tonnes	Potash (KCl) metric tonnes
NORTHERN									
19.69	180	13%	460.7	537	250,000	1,300,000	5350	2,500,000	4,700,000
SOUTHERN									
11.35	300	13%	442.7	537	240,000	1,300,000	5350	2,400,000	4,500,000
UPPER ASSUMPTION TOTAL					**490,000**	**2,600,000**		**4,800,000**	**9,200,000**
LOWER ASSUMPTION ESTIMATE - EASTERN AREA									
Area km^2	Thickness m (to 350 m N, 270 m S)	Mean specific yield %	Brine volume million m^3	Li Concentration mg/L	Contained Li metric tonnes	Lithium carbonate metric tonnes	K Concentration mg/L	Contained K metric tonnes	Potash metric tonnes
NORTHERN									
19.69	180	2%	31.5	260	18,000	100,000	2500	180,000	340,000
SOUTHERN									
11.35	220	2%	18.2	260	10,000	50,000	2500	100,000	180,000
LOWER ASSUMPTION TOTAL					**28,000**	**150,000**		**270,000**	**520,000**
UPPER ASSUMPTION ESTIMATE - WESTERN AREA									
Area km^2	Thickness m (to 450/350 m depth)	Mean specific yield %	Brine volume million m^3	Li Concentration mg/L	Contained Li metric tonnes	Lithium carbonate metric tonnes	K Concentration mg/L	Contained K metric tonnes	Potash metric tonnes
NORTHERN - 150 m of Barren gravel assumed above brine									
22.00	300	13%	858.0	600	510,000	2,700,000	5350	4,600,000	8,800,000
SOUTHERN - 50 m of Barren assumed above brine									
2.40	300	13%	93.6	600	60,000	300,000	5350	500,000	1,000,000
UPPER ASSUMPTION TOTAL					**570,000**	**3,000,000**		**5,100,000**	**9,800,000**
LOWER ASSUMPTION ESTIMATE - WESTERN AREA									
Area km^2	Thickness m (to 300 m N, 250 m S)	Mean specific yield %	Brine volume million m^3	Li Concentration mg/L	Contained Li metric tonnes	Lithium carbonate metric tonnes	K Concentration mg/L	Contained K metric tonnes	Potash metric tonnes
NORTHERN - 150 m of Barren gravel assumed above brine									
22.00	150	2%	66.0	260	18,000	90,000	2500	170,000	310,000
SOUTHERN - 50 m of Barren assumed above brine									
2.40	200	2%	9.6	260	2,000	10,000	2500	20,000	50,000
LOWER ASSUMPTION TOTAL					**20,000**	**100,000**		**190,000**	**360,000**
UPPER ASSUMPTION ESTIMATE - COMBINED EASTERN AND WESTERN AREA									
					1,060,000	**5,600,000**		**9,900,000**	**19,000,000**
LOWER ASSUMPTION ESTIMATE - COMBINED EASTERN AND WESTERN AREA									
					48,000	**250,000**		**460,000**	**880,000**

As a further check on the results of brine samples obtained by bailing, during diamond drilling, brine was also extracted from core samples in a British Geological Survey (BGS) laboratory in the UK, where this brine was also analysed. Differences are noted between the two chemical data sets, although the contained metal and average grade of the estimated resource was similar for each data set. Data obtained by bailing, (obtaining a brine sample from a steel tube with a valve at the base, lowered into the drill hole on a cable) during drilling of diamond holes, was used for the resource estimate and as the basis for definition of the exploration target.

Core samples from diamond drill holes were used for measurements of total porosity (total contained fluid) and specific yield (recoverable fluid), with measurements made at the British Geological Survey laboratories using recognized techniques.

Chemical analyses on bailed samples were undertaken by Alex Stewart Assayers (Argentina) S.A. (“ASA”) in Mendoza, Argentina. This laboratory has extensive experience analyzing brines from salar projects. They are ISO 9001:2000 accredited and operate their own internal standards consistent with ISO 17025.

Standards and duplicate samples were used extensively, with laboratory-prepared and field standard samples submitted to the laboratory comprising 16% of the samples submitted and duplicates comprising a further 7% of the total samples.

With minor exceptions, analytical values of the standards fell within +/-10% of the standard values for samples in the diamond drilling. Duplicate samples showed a high level of sample repeatability (precision), with all but five sample pairs falling well within +/-10% limits. Ion balances confirm the general quality of the ASA analyses. Additionally, 15 duplicate samples were analysed at the University of Antofagasta to compare with the ASA sample values. These sample pairs show average reproducible percentage differences of 5.6% for lithium and 16.6% for potassium. Overall the analyses are considered to be of acceptable quality for the inferred resource estimate, based on the results of the QA/QC samples.

The resource estimate summarized in this announcement has been prepared by independent hydrogeologist Murray Brooker, addressing the standards set out in the Canadian Securities Administrators' National Instrument 43-101.

For more information please contact:

Richard Seville
Managing Director
Orocobre Limited
T +61 7 3871 3985
M +61 419 916 338

Andrew Barber
Investor Relations Manager
Orocobre Limited
abarber@orocobre.com
T +61 7 3871 3985

About Orocobre Limited

Orocobre Limited is listed on the Australian Securities Exchange and Toronto Stock Exchange (ASX:ORE, TSX:ORL) and is the leading lithium-potash developer in the lithium and potassium rich Puna region of Argentina. For further information, please visit www.orocobre.com.

Competent Person's and Qualified Person's Statement

The technical information in this announcement has been prepared by Murray Brooker of Hydrominex Geoscience. Murray Brooker is a geologist and hydrogeologist and is a Member of the Australian Institute of Geoscientists. Murray has sufficient relevant experience to qualify as a competent person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. He is also a "Qualified Person" as defined by Canadian Securities Administrators' National Instrument 43-101. Murray Brooker consents to the inclusion in this announcement of this information in the form and context in which it appears.

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

Caution Regarding Forward-Looking Information

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

Such forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from those expressed or implied by such forward-looking information, including but not limited to the risk that further funding may be required, but unavailable, for the ongoing development of the Company's projects; changes in government regulations, policies or legislation; fluctuations or decreases in commodity prices; the possibility that required permits may not be obtained; uncertainty in the estimation or economic viability of mineral resources; general risks associated with the feasibility and development of the Cauchari project; unexpected capital or operating cost increases; uncertainty of meeting anticipated program milestones; as well as those factors disclosed in the Company's Annual Information Form for the year ended June 30, 2016 filed at www.sedar.com.

The Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable. Assumptions have been made regarding, among other things: the Company's ability to carry on its exploration and development activities, the timely receipt of required approvals, the prices of lithium and potash, the ability of the Company to operate in a safe, efficient and effective manner and the ability of the Company to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used.

There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

Criteria	Section 1 - Sampling Techniques and Data
Sampling techniques	• Drilling was undertaken using diamond core drilling with HQ core and HWT casing, although NQ core was used for some drilling in the program, when HQ equipment was not available. One hole CAU006R was drilled using rotary drilling, but was not used in the resource estimate. • Core samples were recovered from the core barrel inside a plastic tube in place of the triple tube splits typically used for diamond drilling. • Brine samples were taken with a bailing device during the drilling process. A 6 metre bailer tube with a non-return valve at the base was used to purge brine from the drill hole prior to sampling. Samples where then taken following purging of the hole • A fluorescent dye is added to the brine (sourced from a pit near the drill site) that is used as drilling lubricant, with the purpose of making even small quantities of drilling brine highly visible. All drilling brine with the fluorescent dye is to be purged from the hole before the depth sample is taken. Samples were taken every 3 m generally (although samples were taken every 1.5 m in CAU001D and at 6 m intervals in some intervals). The drilling casing advanced down the hole following the drill bit, isolating the sediments outside the casing and only leaving a short (1.5 or 3 m) section at the bottom of the hole where brine can inflow from the sediments, to be purged and then sampled from the base of the hole. • The brine sample was collected in a clean plastic bottle and filled to the top to minimize air space within the bottle. Each bottle was taped and marked with the sample number and details of the bore and the time of the sample were noted.
Drilling technique	• Diamond core drilling used surface brine from near the drill site for lubrication, with brine recycled during the drilling process and fluorescence dye added to the drilling brine, to allow recognition of any contamination of samples by drilling brine. This dye can be observed in very low concentrations, providing a check for contamination of brine samples (specific to different depths in a hole) by the drilling brine (sourced from a pit at the surface of the salar). • Core runs were of 1.5 lengths – with shorter core runs used where material was more difficult to recover. • Rotary drilling – This method was used for hole CAU006R, with the use of brine in the hole for lubrication during drilling, to minimize the development of wall cake in the holes that could reduce the bore flow rate. • CAU006R drilling allowed for recovery of drill cuttings and basic geological description. During rotary drilling, cuttings were collected directly from the outflow from the drill collar. Drill cuttings were collected and logged by the project geologist. This hole was not used in the resource estimate.
Drill sample recovery	• Diamond core samples were recovered in plastic tubes used as a diamond core triple tube. • Rotary drill cuttings were recovered from the well head. • Porosity samples were taken every 3 m by cutting 10 and 20 cm intervals from the base of the core tubes and sealing them with caps and tape, before sending them to the two porosity test laboratories.
Logging	• Core samples were recovered in plastic tubes, to which tight-fitting plastic end caps were attached and taped in position. Samples were logged by the project geologist, splitting open the plastic tubes, except for intervals from which porosity samples were taken. • Rotary drilling of CAU006R was carried out for the collection of drill cuttings for geologic logging. Drill cuttings were logged by a geologist.
Sub-sampling techniques and sample preparation	• Brine samples were collected by bailing brine from the well (using a bailing cylinder on the rig wire line), which collects brine at the base of the hole, with a non-return valve preserving the sample in the bailer. This homogenizes samples and no sub-sampling is undertaken in the field. • The brine sample was collected in one-litre sample bottles, rinsed and filled with brine. Each bottle was taped and marked with the borehole number and details of the pump test. • Samples were then filtered at the project site and 150 ml sample bottles sent for analysis
Quality of assay data and laboratory tests	• Alex Stuart Assays of Mendoza was used as the primary laboratory to conduct the assaying of the brine samples collected as part of the drilling program. They also analyzed blanks and standards, with blind control samples in the analysis chain. • The laboratory of the University of Antofagasta was used as the check laboratory. This laboratory is not ISO certified, but it is specialized in the chemical analysis of brines and

	inorganic salts, with extensive experience in this field since the 1980s, when the main development studies of the Salar de Atacama were begun. • The quality control and analytical procedures used at the University of Antofagasta laboratory are considered to be of high quality and comparable to those employed by ISO certified laboratories specializing in analysis of brines and inorganic salts. • Additional assays were obtained on samples of brine extracted from drill core by the British Geological Survey.
Verification of sampling and assaying	• A full QA/QC program for monitoring accuracy, precision and to monitor potential contamination of samples and the analytical process was part of the drilling program. Accuracy, the closeness of measurements to the "true" or accepted value, was monitored by the insertion of standards, or reference samples, and by check analysis at an independent (or umpire) laboratory. • Duplicate samples in the analysis chain will be submitted to Alex Stuart laboratories as unique samples (blind duplicates) during the drilling process • Stable blank samples (distilled water) will be inserted to measure cross contamination during the drilling process • The anion-cation balance was used as a measure of analytical accuracy and was observed to be well within acceptable limits at <5% for the samples.
Location of data points	• The wells were located with a hand held GPS. • The project uses the Argentine Gauss Krueger Transverse Mercator system, with the POSGAR datum, and the project is located in Zone 3
Data spacing and distribution	• Lithological data was collected throughout the core drilling. Brine samples were collected at 1.5 to 6 m intervals during core drilling, with collection of samples every 3 m the standard vertical separation between brine samples
Orientation of data in relation to geological structure	• The salar deposits that host lithium-bearing brines consist of subhorizontal beds and lenses of halite, sand, silt and clay. The vertical bores are essentially perpendicular to these units, intersecting their true thickness
Sample security	• Samples were transported to the Alex Stuart Assays Mendoza laboratory and University of Antofagasta for chemical analysis in sealed 150ml rigid plastic bottles with sample numbers clearly identified. • The samples were moved from the drill site to secure storage at the camp on a daily basis. All brine sample bottles are marked with a unique label.
Review (and Audit)	• No audit of data has been conducted to date.

Section 2 - Mineral Tenement and Land Tenure Status	
Mineral tenement and land tenure status	• The Cauchari properties are located at an altitude of 3900 m above sea level, and 230 km west of the capital city of Jujuy • The property comprises approximately 30,000 ha of mineral claims across the Cauchari salar adjacent to properties of the Olaroz project of Orocobre/Sales de Jujuy and the Cauchari project of Lithium Americas Corp. • The properties are believed to be in good standing, with payments made to relevant government departments
Exploration by other parties	• No exploration is believed to have been conducted prior to that of Orocobre/South American Salars, with the exception of small scale prospecting for surficial borate mineralisation.
Geology	• The sediments within the salar consist of halite, sands, silts and clays deposits that have accumulated in the salar from terrestrial sedimentation and evaporation of brines within the salar. • Brines within the salar are formed by solar concentration, with brines hosted within the different sedimentary units • Geology was recorded during drilling of all the holes
Drill hole data	• Core holes were logged noting the core recovery, lithologies and collecting samples for laboratory porosity measurements at the British Geological Survey sedimentological laboratory • Drill hole data from field and laboratory sources was combined in a project database for the purposes of resource estimation • PVC standpipes were installed in well to allow monitoring of the standing water level in the wells over time

Data aggregation	• Brine samples taken from diamond holes with a typical 3 m spacing and in CAU001D with a 1.5 m spacing, to evaluate variations in brine grade over short distances. The samples represent composite samples over these intervals.
Relationship between mineralisation widths and intercept lengths	• The lithium-bearing brine deposits extend across the properties and over a thickness of > 249 m, limited by the depth of the drilling • The drill holes are vertical and perpendicular to the horizontal sediment layers in the salar
Diagrams	• Diagrams are provided in the Technical Report on the Cauchari Lithium Project to be filed as part of NI43-101 reporting, in addition to diagrams provided in the October 2012 announcement of the maiden Cauchari brine resource. • See the attached project location map
Balanced reporting	• This announcement presents representative key information from drilling and sampling of the Cauchari project, the resource estimate and potential for definition of additional resources (exploration target)
Other substantive exploration data	• Refer to the information to be provided in Technical Report on the Cauchari Lithium Project, to be filed with Canadian authorities within 45 days of this announcement by Advantage Lithium
Further work	• The joint venture will consider additional drilling on the properties to add to the existing Cauchari brine resource