

6 December, 2012

TSX / ASX ANNOUNCEMENT

**OROCOBRE AND TOYOTA TSUSHO CORPORATION CLOSE
US\$192 MILLION DEBT FINANCING WITH MIZUHO CORPORATE
BANK FOR OLAROS LITHIUM PROJECT**

Orocobre Limited (“the Company”) (ASX:ORE, TSX:ORL) is pleased to announce that with joint venture partner Toyota Tsusho Corporation (“TTC”), the companies have executed the loan documentation for the project financing for Orocobre’s flagship Olaroz lithium project (“Olaroz Project” or “the Project”) located in the Province of Jujuy, northern Argentina.

As previously announced, the project financing will be provided by Mizuho Corporate Bank Ltd (“Mizuho”) with a maximum facility amount of approximately US\$192 million as detailed below:

Parameters	Values
Maximum Facility	US\$191.9 million
Equity by Sales de Jujuy	US\$82.8 million
Maximum Debt : Equity Ratio	70% : 30%
Construction Cost	US\$229.1 million including \$22 million contingency
Primary Debt Facility	US\$146.3 million
Additional facilities	US\$45.6 million
Term	10 years
Grace Period	2 years
Dividend Payments	Borrower may pay dividends bi-annually after meeting debt service obligations to Mizuho

The overall cost of the debt funding including guarantee is expected to be approximately 4.5% of the drawn amount and will be fixed for the term of the loan at the time of drawing on the debt facility.

The Olaroz Project Joint Venture is being operated through Orocobre's Argentine subsidiary, Sales de Jujuy S.A. ('SDJ SA') with shareholders Sales de Jujuy Pte Ltd (a Singaporean company that is the joint venture vehicle for Orocobre and TTC) and Jujuy Energia y Minería Sociedad del Estado ('JEMSE'), the mining investment company owned by the provincial Government of Jujuy, Argentina. The effective Olaroz Project equity interests are Orocobre 66.5%, TTC 25.0% and JEMSE 8.5%.

Orocobre's CEO & Managing Director, Richard Seville, commented, "This is the last part of the financing for the Olaroz lithium project. Our valued partner, Toyota Tsusho, has delivered a comprehensive and low cost debt package for the project. Construction has commenced and we are on the way to production in Q2 2014."

"It is noteworthy that this milestone occurs almost exactly five years to the day of the Company's listing on the ASX. Many of those shareholders who were with us then, are still with us now, and I thank them for their continued interest in the Company and look forward to sharing the moment of first production in 2014!"

For more information please contact:

Richard Seville
Managing Director
Orocobre Limited
M: +61 419 916 338
E: rseville@orocobre.com

Bruce Rose
VP - Corporate Development
Orocobre Limited
M: + 1 (604) 377 1423
E: brose@orocobre.com

James Calaway
Chairman
Orocobre Limited
M: + 1 (713) 818 1457
E: jcalaway@calawayinterests.com

About Orocobre Limited

Orocobre Limited is listed on the Australian Securities Exchange and Toronto Stock Exchange (ASX:ORE, TSX:ORL), and is building a substantial Argentinian-based industrial minerals company through the construction and operation of its portfolio of lithium, potash and boron projects and facilities in the Puna region of northern Argentina. The Company is building in partnership with Toyota Tsusho Corporation the first large-scale, “greenfield” brine based lithium project in 20 years at its flagship Salar de Olaroz resource, with projected production of 17,500 tonnes per annum of low-cost battery grade lithium carbonate scheduled to commence in Q2 2014. The Company also wholly-owns Borax Argentina, an important regional borate producer. Orocobre has recently been included in the S&P/ASX 300 Index and was named 2012 Mining Company of the Year by Argentine mining magazine Panorama Minero and the Fundacion para el desarrollo de la Mineria Argentina (“Fundamin” or Foundation for Development of Argentina Mining). For further information, please visit www.orocobre.com

Caution Regarding Forward-Looking Information

This news release contains “forward-looking information” within the meaning of applicable securities legislation. Forward-looking information contained in this release includes, but is not limited to, the drawdown of finance for the Olaroz Project, the completion of construction at the Olaroz Project and the timing thereof, the commencement of commercial production at the Olaroz Project and the timing thereof, the estimated capital cost of the Olaroz Project, the design production rate for lithium carbonate and potash at the Olaroz Project, the expected brine grade at the Olaroz Project, the expected operating costs at the Olaroz Project and the comparison of such expected costs to expected global operating costs, and the ongoing working relationship between Orocobre and the Province of Jujuy.

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 of further changes in government regulations, policies or legislation; the possibility that required concessions may not be obtained, or may be obtained only on terms and conditions that are materially worse than anticipated; the risk that required guarantees will not be provided or that the project financing will otherwise not be completed with Mizuho Corporate Bank and JOGMEC; that further funding may be required, but unavailable, for the ongoing development of the Company’s projects; fluctuations or decreases in commodity prices; uncertainty in the estimation, economic viability, recoverability and processing of mineral resources; risks associated with weather patterns and impact on production rate; risks associated with construction and development of the Olaroz Project; unexpected capital or operating cost increases; uncertainty of meeting anticipated program milestones at the Olaroz Project; general risks associated with the feasibility and development of the Olaroz Project; as well as those factors disclosed in the Company’s Annual Information Form for the year ended June 30, 2012 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 timely receipt of required approvals and completion of agreements on reasonable terms and conditions; the ability of the Company to obtain financing as and when required and on reasonable terms and conditions;

the prices of lithium and potash; and the ability of the Company to operate in a safe, efficient and effective manner. 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.