Orocobre Limited – Cauchari JORC Resource increases to 4.8 million tonnes Measured + Indicated and 1.5 million tonnes Inferred LCE

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BRISBANE, March 07, 2019 - Orocobre Ltd. (ASX: ORE, TSX: ORL) (“Orocobre” or “the Company”) is pleased to announce that the updated resource estimate for the Cauchari JV property located in Jujuy Province, Argentina, has more than doubled from the previous resource announced in May 2018.

Location of Cauchari properties, drill holes and the resource area – dashed line indicates the cross section in Figure 2

Resource model looking northwest through the SE Sector and the Archibarca area (the serrated pattern represents resource blocks along the property boundary)

The exploration program is being managed by JV partner Advantage Lithium Corp. ("Advantage Lithium") (TSX Venture: AAL) (OTCQX: AVLIF) who hold 75% of Cauchari. Orocobre owns 33.5% of Advantage Lithium’s issued capital and 25% directly in the joint venture.

Highlights

- Lithium Carbonate Equivalent (LCE) JORC Resources more than doubled, with 4.8 million tonnes (Mt) of Measured and Indicated and 1.5 Mt Inferred
- The Archibarca Area (NW Sector) is contiguous with the southern boundary of the Olaroz tenements and contains just above 1 Mt Measured Resources at an average lithium concentration of 564 mg/l; the Clay and Halite units (in the SE Sector) contain 2.3 Mt of Measured and Indicated Resources with an average Li concentration of 481 mg/l and the Deep Sand (SE Sector) with 0.4 Mt of Indicated resources at 500 mg/l lithium
- The result of the extended pumping tests on CAU07 in the Archibarca area and CAU11 in the SE Sector demonstrate favourable brine extractability characteristics
- The Phase III program has confirmed that Salar de Cauchari is a major brine basin with the resource open at depth below 600 m and to the south
- The brine exhibits excellent chemistry for conventional processing with the Mg/Li ratio averaging ~2.5, very similar to Orocobre’s Olaroz project.

The new resource is based on the results of the Phase II and Phase III drilling programs. The update, prepared by FloSolutions SpA, has increased the resource to a volume of approximately 1,800 million cubic metres of brine at an average concentration of 476 mg/l lithium, for 4.8 Mt of LCE in the Measured and Indicated categories and approximately 600 million cubic metres of brine at an average grade of 473 mg/l lithium for 1.5 Mt of LCE in the Inferred category.

Orocobre Managing Director and CEO Mr. Martín Pérez de Solay commented, “Our Joint Venture partners, Advantage Lithium have delivered a well designed and executed resource definition program that has more than doubled the total Cauchari resource. This result provides an opportunity to reassess future development options to maximise value for shareholders”.

The Joint Venture intends to submit a full technical report within 45 days of this announcement, in accordance with Canadian reporting requirements and the requirements of National Instrument 43-101 (NI 43-101) to support the conclusions presented here.

Updated Cauchari Resource

The drilling program has expanded the resource at the Cauchari Project to 4.8 Mt of LCE of Measured and Indicated Resources contained in 1.8 km^3 of brine and 1.5 Mt of Inferred Resources contained in 0.6 km^3 of brine. The resources have been broken into six different geological units which are classified between Measured, Indicated and Inferred resources, with the classification reflecting differences in the level of available sample information. The resource estimate is presented in Table 1 below.

The key areas of the resource for future brine production are the Archibarca Fan and the SE Sector of the Project. The Archibarca Fan resource consists of 1.0 Mt of LCE as Measured Resources at 564 mg/l lithium. The Measured and Indicated Resources in the SE Sector, mostly contained in the Clay and Halite units, amount to approximately 2.3 Mt of LCE at 481 mg/l lithium. The extraction characteristics of the Archibarca Fan and SE Sector have been confirmed by the 30 day pumping tests in each area during the Phase III Program in 2018.

The brine resource is calculated over the western and eastern properties of the Cauchari project and covers an area of 117.7 km^2. The brine resource in the west extends from the brine level below the surficial gravels to a depth of over 400 m and is classified as Measured in the north in the Archibarca area and Indicated further south in the West Fan, with small volumes of Inferred resources in these areas. The Measured and Indicated Resources in the east extend from the phreatic brine level to a constant depth of 400 m in the Halite and Clay units. Indicated Resources in the Deep Sand unit extend to 500 m depth. Below these depths the resource is classified as Inferred, reaching a depth of up to 619 m. The Deep Sand unit remains open at depth. None of the drill holes completed to date have intercepted bedrock (basement) and the resource remains open at depth.

Table 1: Cauchari Project Lithium Resource Estimate; March 2019

	Measured (M)	Indicated (I)	M+I	Inferred
Aquifer volume (km^3)	9.7	20.9	30.7	10.7
Mean specific yield	6%	6%	6%	6%
Brine volume (km^3)	0.6	1.2	1.9	0.6
Li mean grade (g/m^3)	35	26	29	27
Li mean concentration (mg/l)	527	452	476	473
Resource (tonnes)	345,000	550,000	900,000	290,000
Lithium Carbonate Equivalent	1,850,000	2,950,000	4,800,000	1,500,000

Notes:
1. JORC and CIM definitions were followed for mineral resources.
2. The Qualified Person for this Mineral Resource estimate is Murray Brooker, RPGeo, MAIG.
3. Lithium is converted to lithium carbonate (Li_2CO_3) with a conversion factor of 5.32.
4. Numbers may not add due to rounding.

Results of the brine chemistry analysis carried out confirm the Cauchari brine is similar in composition to the brine in the adjacent Olaroz Salar from which Orocobre is successfully producing lithium carbonate using conventional lithium processing technology. Table 2 provides a summary of the Cauchari brine characteristics. There is a reasonable prospect that the Cauchari brine could be successfully processed using technology similar to the Olaroz Lithium Facility.

Table 2: Cauchari brine chemistry characteristics

Samples Ratio	Archibarca Fan	Clay	East Fan	Halite	Deep Sand	West Fan
Mg/Li	2.3	2.5	1.6	2.7	2.5	3.2

SO_4/Li	26.2	39.7	88.7	44.3	38.1	38.4

Resource Estimation Methodology

The updated lithium resource estimate for the Cauchari Project is based on the results of 26 diamond holes and five rotary holes drilled between 2011 and the end of 2018. Figure 1 shows a location map of the drill holes completed during the 2011 and 2017/8 drilling campaigns and Figure 2 shows a cut-away diagram of the resource area and concentrations. Brine sample collection consisted of bailed and packer samples in the diamond holes, and packer and pumped samples in the rotary holes. More than 2,000 brine samples (including more than 300 QA/QC samples) were analyzed by Norlabs (Jujuy, Argentina) as the primary laboratory and by Alex Steward Assayers (Mendoza, Argentina) and the University of Antofagasta (Chile) as secondary QA/QC laboratories. Brine was also extracted from diamond cores (centrifuge methodology) in an independent laboratory in the USA and analysed in the Norlabs laboratory to further verify and validate brine chemistry results.

HQ core was retrieved during the diamond core drilling from which more than 300 primary undisturbed samples were prepared for laboratory drainable porosity and other physical parameter determinations by Geo Systems Analysis (GSA) in Tucson, AZ. Laboratory QA/QC porosity analyses were undertaken by the DBS&A Laboratory, Core Laboratories and the British Geological Survey.

The lithium resource was estimated using SGEMs software applying ordinary kriging. The resource estimate was prepared in accordance with the guidelines of JORC and Canadian National Instrument 43-101 and uses best practice methods specific to brine resources, including a reliance on core drilling and sampling methods that yield depth-specific chemistry and drainable porosity measurements. The resource estimation was completed by independent qualified person Mr. Frits Reidel of Santiago based hydrogeology firm FloSolutions with extensive experience in the estimation of lithium brine resources in Argentina. Competent Person (CP) Mr. Murray Brooker reviewed advances during the drilling programs and during the resource estimation.

Figure 1: Location of Cauchari properties, drill holes and the resource area – dashed line indicates the cross section in Figure 2

A map accompanying this announcement is available at
http://www.globenewswire.com/NewsRoom/AttachmentNg/8a739037-5849-4bf3-9794-a9746e9fbdc3

Table 3: Location of Cauchari drill holes

Exploration Hole Number	Coordinates Gauss Kruger Argentine*		Elevation Mean Sea Level (m)+	Total Depth (m)	Sector	Year / Phase of work	Drilling Method	Azimuth	Dip
	Easting	Northing							
CAU01D	3,425,589	7,378,259	3906	249	SE	2011	Diamond	0	-90
CAU02D	3,424,385	7,376,814	3907	189	SE	2011	Diamond	0	-90
CAU03D	3,421,874	7,373,649	3910	71.5	SE	2011	Diamond	0	-90
CAU04D	3,421,903	7,371,452	3909	46.5	SE	2011	Diamond	0	-90
CAU05D	3,425,500	7,374,882	3907	168	SE	2011	Diamond	0	-90
CAU06D	3,423,534	7,370,146	3909	506	SE	Phase II	Diamond	0	-90
CAU07R	3,421,199	7,383,985	3929	343	NW	Phase II	Rotary	0	-90
CAU08R	3,423,939	7,374,503	3908	400	SE	Phase II	Rotary	0	-90
CAU09R	3,423,783	7,377,788	3906	400	SE	Phase II	Rotary	0	-90
CAU10R	3,425,532	7,379,306	3906	429	SE	Phase II	Rotary	0	-90
CAU11R	3,421,752	7,372,569	3910	480	SE	Phase II	Rotary	0	-90
CAU12D	3,421,710	7,374,690	3908	413	SE	Phase II	Diamond	0	-90
CAU12DA	3,421,679	7,374,669	3909	609	SE	Phase III	Diamond	0	-90

CAU13D	3,422,774	7,376,298	3908	449	SE	Phase II Diamond	0 -90
CAU13DA	3,422,747	7,376,293	3909	497	SE	Phase III Diamond	0 -90
CAU14D	3,425,669	7,377,021	3908	600	SE	Phase II Diamond	0 -90
CAU15D	3,419,293	7,373,397	3906	243.5	NW	Phase II Diamond	0 -90
CAU16D	3,419,925	7,379,893	3905	321.5	NW	Phase II Diamond	0 -90
CAU17D	3,419,965	7,387,434	3958	237.5	NW	Phase II Diamond	0 -90
CAU18D	3,422,571	7,386,976	3925	359	NW	Phase II Diamond	0 -90
CAU19D	3,421,819	7,369,848	3910	519.5	SE	Phase III Diamond	0 -90
CAU20D	3,420,554	7,385,410	3945	390	NW	Phase III Diamond	0 -90
CAU21D	3,420,311	7,382,080	3915	283	NW	Phase III Diamond	0 -90
CAU22D	3,427,715	7,379,299	3913	418	SE	Phase III Diamond	0 -90
CAU23D	3,419,547	7,372,053	3907	319	NW	Phase III Diamond	0 -90
CAU24D	3,419,626	7,369,898	3905	352.5	NW	Phase III Diamond	0 -90
CAU25D	3,427,793	7,381,272	3912	427	SE	Phase III Diamond	0 -90
CAU26D	3,423,384	7,372,185	3910	617.2	SE	Phase III Diamond	0 -90
CAU27D	3,426,942	7,376,023	3919	473	SE	Phase III Diamond	0 -90
CAU28D	3,419,760	7,367,258	3918	303.5	NW	Phase III Diamond	0 -90
CAU29D	3,420,463	7,364,858	3916	404	NW	Phase III Diamond	0 -90

* Coordinates are in Zone 3 of the Argentine Gauss Kruger grid system.
+ Elevation determined by surveying with DGPS equipment.

Figure 2: Resource model looking northwest through the SE Sector and the Archibarca area (the serrated pattern represents resource blocks along the property boundary)

A graphic accompanying this announcement is available at
http://www.globenewswire.com/NewsRoom/AttachmentNg/7fe79ff0-0038-4a98-bd8e-f6519db3e2c7

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Qualified Person’s/Competent Person’s Statement
The information in this report that relates to exploration reporting at the Cauchari JV project has been prepared by Mr. Murray Brooker. Mr. Brooker is a geologist and hydrogeologist and is a Member of the Australian Institute of Geoscientists. Mr. Brooker is an employee of Hydrominex Geoscience Pty Ltd and is independent of Orocobre. Mr. Brooker 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 in NI 43-101. Mr. Brooker consents to the inclusion in this announcement of this information in the form and context in which it appears.

About Orocobre Limited
Orocobre Ltd. (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 33.5% interest in Advantage Lithium. For further information, please visit www.orocobre.com.