

Orocobre – The Next Low Cost Lithium Producer

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LIMITED

March 2010

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Company Highlights

- Low-cost, near-term production potential at Olaroz
- Toyota Tsusho strategic partnership
- Dominant land position
- Significant pipeline of projects including Salinas Grandes
- Attractive valuation with prospective upside
- Strong lithium market fundamentals



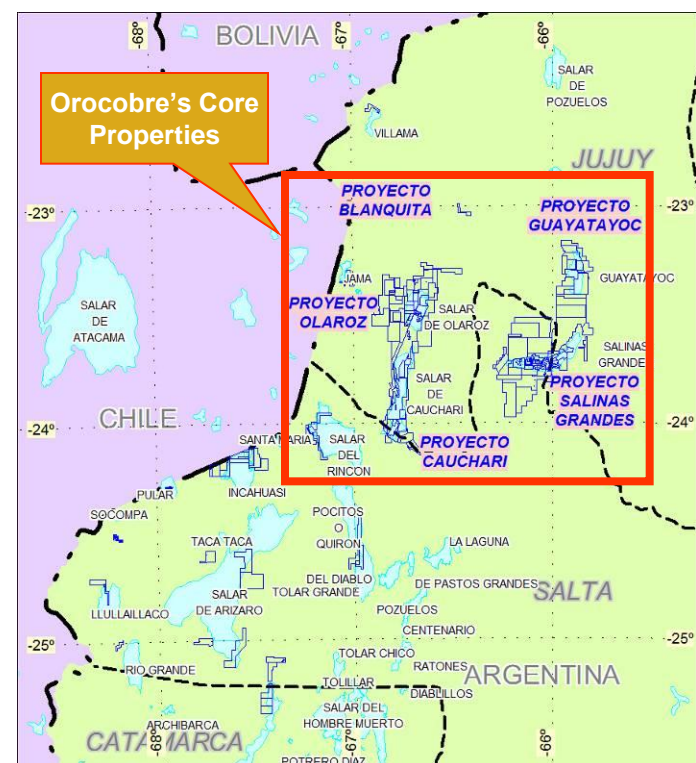
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Corporate Overview

- **Olaroz:** flagship development project
 - Strategic partnership with Toyota Tsusho to develop 15,000+ tpa lithium carbonate equivalent (“LCE”) project
 - Fully funded through Definitive Feasibility Study (“DFS”) by Toyota Tsusho
 - DFS anticipated for Q3 2010
 - Production anticipated to start in 2012
- **Salinas Grandes:** world-class exploration
 - Some of the highest average grades reported in the world
 - 1,409 mg/l Li and 16,394 mg/l K
 - Very good chemistry
 - 2.6 Mg:Li
 - Extensive drilling and sampling program planned for Q2 2010
- Positions in 12 other Argentine salars

Orocobre Brine Locations



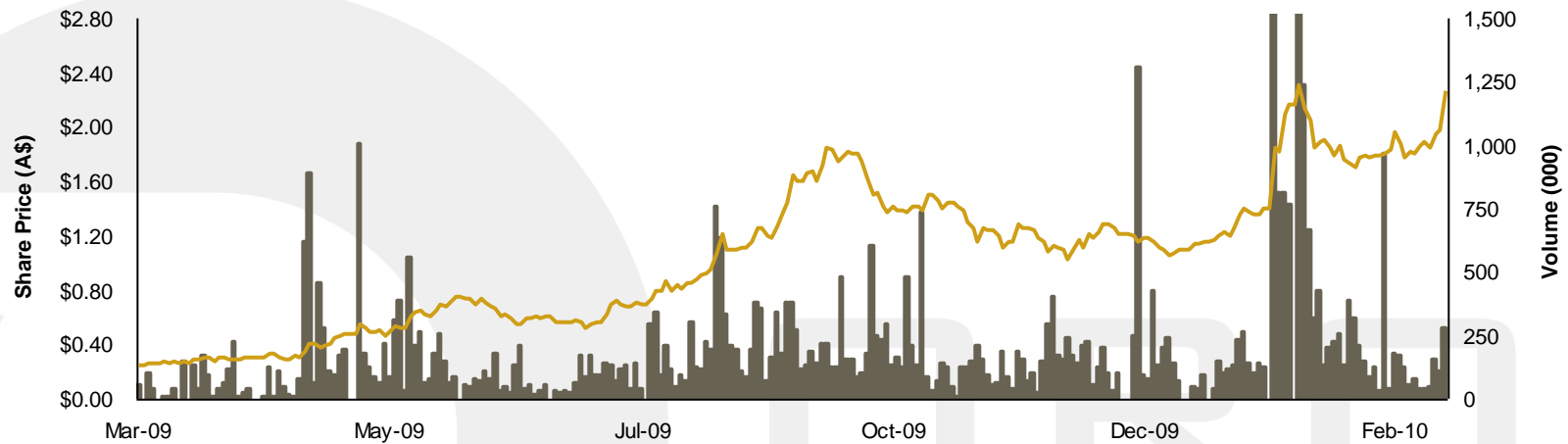
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Capitalization

Current Capitalization (ASX: ORE)

Trading Range:	A\$1.70 – A\$2.30 (1 Month)
Shares O/S:	80.5m
Options O/S:	0.8MM (@ A\$0.37)
Market Cap:	~A\$180m
Cash:	A\$8m

One-Year Price/Volume Graph



Key Management and Board

Key Management

- **James Calaway**, *Non-Executive Chairman*
 - 30 years business experience including as Chairman of DataCert Inc, Open Spirit Corp and director for other U.S corporate boards
- **Richard Seville**, *Managing Director and Chief Executive Officer*
 - Mining geologist and geotechnical engineer with 27 years industry experience
 - Director of several ASX/AIM listed mining companies including Leyshon Resources (ASX:LRL)
- **Marcelo Sanchez**, *Project Manager (Olaroz)*
 - Chemical Engineer with 25 years experience, including with Imperial Chemicals (formerly LSE:ICI) and IAMGold (TSX:IMG)
- **Miguel Peral**, *Exploration Manager*
 - 20+ years exploration experience in South America, including extensive brine experience (Rincon)

Directors

- **John Gibson**, *Director*
 - 25+ years experience in the energy technology industry, including as former president of Halliburton Energy Services
- **Neil Stuart**, *Director*
 - Exploration geologist with 40+ years mining experience, including at the Cerro Negro Project (sold to Andean)
- **Jack Tan**, *Director*
 - More than 20 years finance and corporate experience (Rocklands Richfield ASX:RCI, Health Corporation ASX:HEA and e-Pay Asia ASX:EPY)

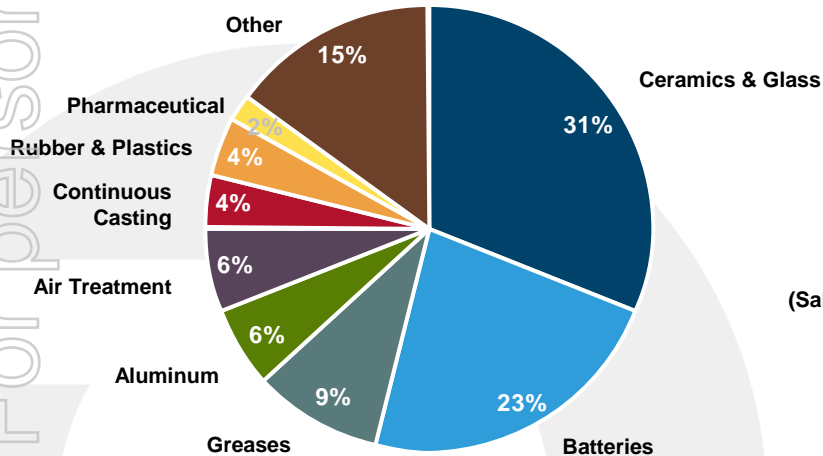
Definitive Feasibility Study Team

- **John Houston**, *Hydro-geologist*
 - +40 years experience specializing in brines, including Atacama and Hombre Muerto
- **Peter Ehren**, *Process Engineer*
 - 15 years experience specializing in lithium and brine technology, including as former R&D manager at SQM
- **Jerry Lukes**, *Process Engineer*
 - 40 years experience specializing in brines, including Great Salt Lake and Atacama
- **Jorge Andreani**, *Chemical Engineer*
 - 40 years experience, including as former chemical engineering professor at Salta University
- **Rodolfo Mendoza**, *Geologist*
 - 30 years experience in 'Puna' lithium region, including 7 years at Hombre Muerto

Lithium Market Dynamics

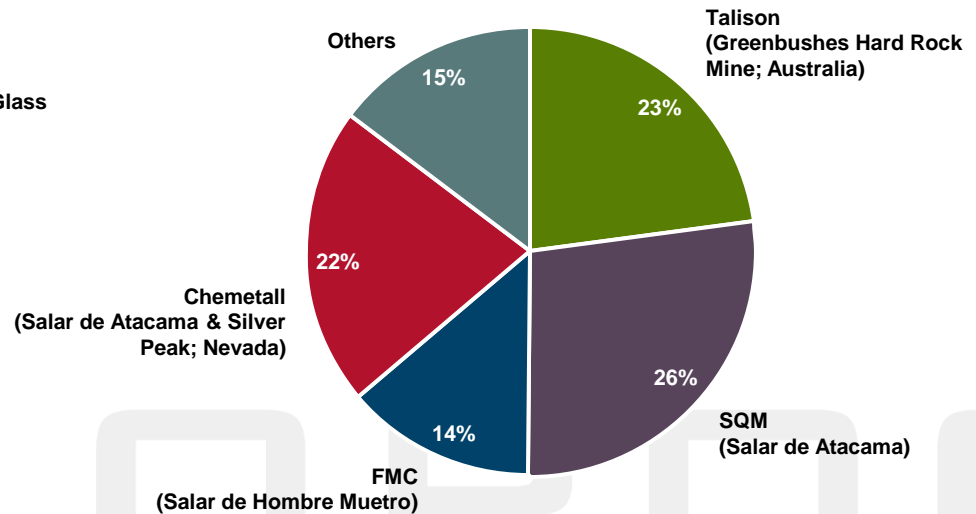
- Current lithium consumption is approximately 110,000 tonnes LCE per year
- Demand has been growing consistently at roughly 5.5% per year since 2000
 - Driven by growth in lithium batteries demand for consumer products
- Prices have remained fairly steady at roughly US\$5,500/t LCE for the past couple years
 - Price “controlled” by 4 primary producers

Current Lithium Demand By End Use



Source: Roskill Information Services Ltd. 2009 estimates

Current Lithium Supply By Company

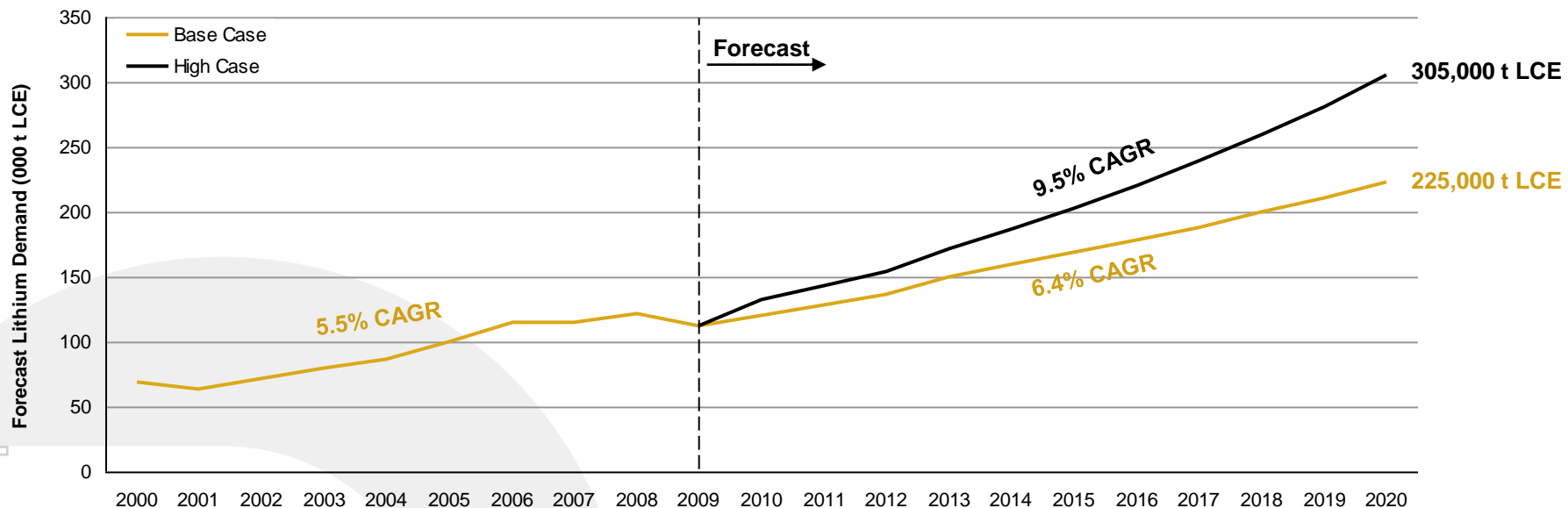


Source: Roskill Information Services Ltd. 2008 estimates

Lithium Demand Forecast

- Lithium demand is forecast to continue to increase from steady growth in its current uses
- The major upside in demand is driven by the uptake in electric vehicles (“EVs”) and industrial scale batteries (grid storage)

Forecasted Lithium Demand



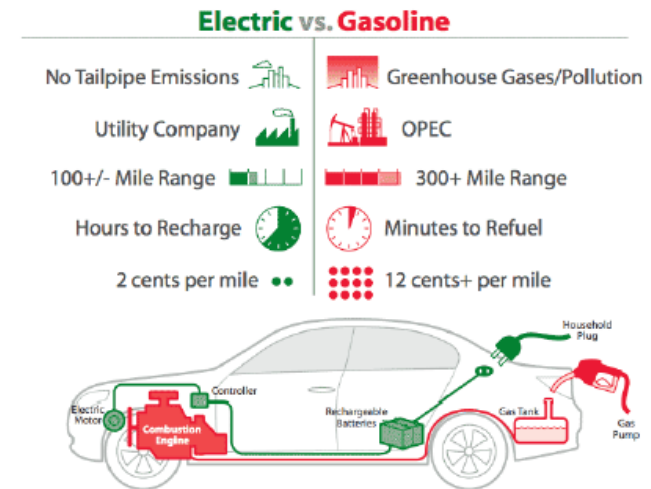
Source: Roskill Information Services Ltd. Estimates

Note: The high case scenario is based on a swift recovery in global economic growth from the second half of 2009 and 50% increase in demand for EVs, versus the base case

Lithium Demand Upside – Electric Vehicle Batteries

- Most major car manufacturers are now developing EVs
 - The battery of choice is lithium
 - The majority of EV models are anticipated to begin commercial sales between 2010-2013
 - EVs require on average between 10-20 kg LCE/vehicle (hybrids use 0.5-2 kg LCE/vehicle)
- The EV movement is being boosted by substantial government stimulus
 - US\$2.45bn from the US government
 - Goal to have 1m EVs on the road by 2015
 - “New Energy” incentive program for public and service-sector vehicles in China
 - National development plan on EVs by German government
- Emerging economies are becoming first-movers on lithium-battery technology
 - BYD – Daewoo JV (China / Korea)
 - Tata Motors – Nano EV (India)

Electric vs. Gasoline Cars

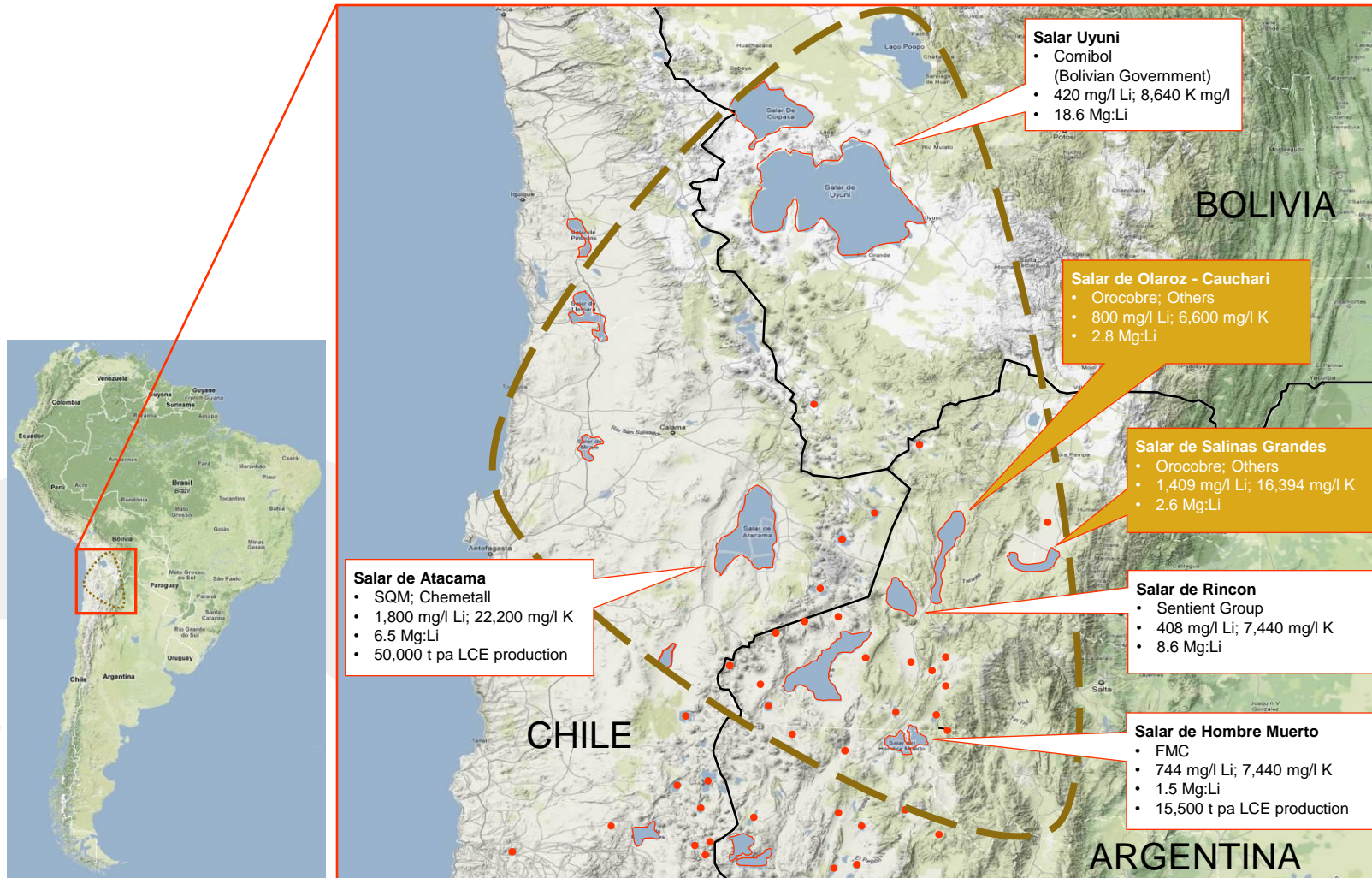


Source: www.hybridcars.com

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Lithium Supply – the “Lithium Triangle”

- Over 70% of the world’s LCE comes from lithium rich brines in the “Lithium Triangle”



Sources: Company presentations, Roskill and independent consultants (to Orocobre) estimates

Note: stated resources are not NI 43-101 compliant

● Represents smaller brines

Brine Comparison

Brine	Primary Owner(s)	Lithium Grade (mg/l Li)	Potash Grade (mg/l K)	Mg:Li Ratio	Evaporation Rate	Infrastructure	Cash Costs (\$/t LCE)
Ideal Characteristics		✓ >700	✓ >6,000	✓ <4.0	✓ Very Good	✓ Very Good	Very Low (<\$2,000)
Salar de Atacama	SQM/ Chemetall	✓ 1,800	✓ 22,200	✗ 6.5	✓ Very Good	✓ Very Good	Very Low
Salar de Hombre Muerto	FMC	✓ 744	✓ 7,440	✓ 1.5	✓ Very Good	✗ Average	Low
Salar de Rincon	Sentient Group	✗ 408	✓ 7,440	✗ 8.6	✓ Very Good	✗ Average	Average
Salar de Uyuni	Comibol (Bolivian Government)	✗ 420	✓ 8,640	✗ 18.6	✓ Good	✗ Poor	High
Salar de Olaroz	Orocobre	✓ 800 ⁽¹⁾	✓ 6,600 ⁽¹⁾	✓ 2.8 ⁽¹⁾	✓ Very Good	✓ Very Good	Very Low
Salar de Salinas Grandes	Orocobre	✓ 1,409 ⁽²⁾	✓ 16,394 ⁽²⁾	✓ 2.6 ⁽²⁾	✓ Very Good	✓ Very Good	Very Low

Sources: 'Economics of Lithium Report (2009)' Roskill Information Services Ltd and independent consultants (to Orocobre) estimates, except where noted

(1) As per Orocobre April 29, 2009 press release, 'Maiden Resource Estimate Olaroz Lithium – Potash Project' (JORC compliant)

(2) As per Orocobre March 8, 2010 press release, 'High-Grade Lithium and Potassium Brine Discoveries'

Salar de Olaroz: Flagship Development Project

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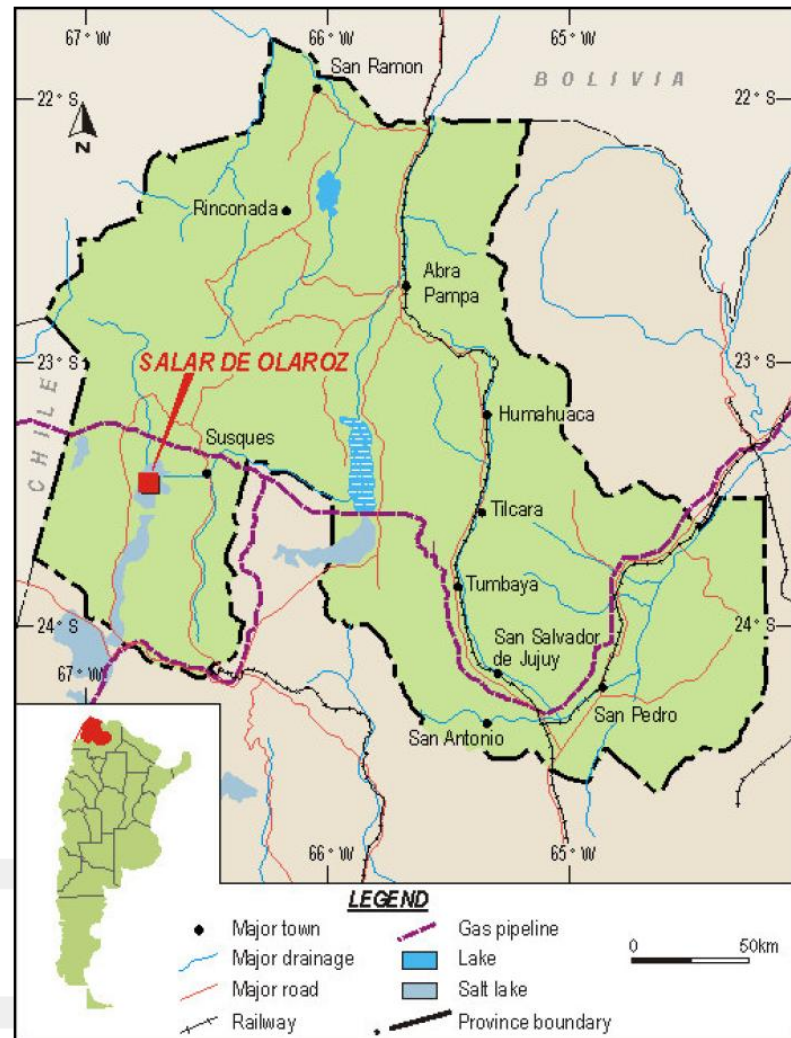
SALAR DE OLARÓZ



Salar de Olaroz: Flagship Development Project

- Olaroz is Orocobre's flagship near-term development project
 - Potential 15,000 t Lithium carbonate and 36,000 t potash annual production rate
 - Fully funded though DFS with clear development path to production via partnership with Toyota Tsusho
- Attractive logistics and infrastructure
 - Sealed road to port of Antofagasta, Chile (500 km)
 - Railway to Antofagasta and to inland Argentina 70km to the south
 - Gas pipeline and compression station 15 km to the north
 - Local workforce
 - Available support from San Salvador de Jujuy and Salta City
- Proposed development timeline
 - Q3 2010: DFS
 - 2011: Construction
 - 2012: Production Start

Salar de Olaroz (Jujuy Province, Argentina)



Salar de Olaroz: Toyota Tsusho Partnership

- Toyota Tsusho can earn-in a 25% JV equity interest in Olaroz, by:
 - Funding the remaining costs of the DFS (US\$4.5m)
 - Purchasing the 25% interest based on the NPV from the DFS
 - Securing a low-interest debt facility guaranteed by JOGMEC (Japanese Government) for at least 60% of project capex



Based on current capex estimates, Olaroz development would be fully funded by Toyota Tsusho's equity investment and JOGMEC debt if Toyota Tsusho exercises its JV option

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Salar de Olaroz: Toyota Production Off-Take

- Toyota Tsusho Corporation is a “Tier 1” supplier to the Toyota Group
 - Annual revenue of US\$60bn+
 - 28,000 employees
 - Owned 22% by Toyota Motor Corporation (“Toyota”) and 11% by Toyota Industries
 - Provides material supplies to many other Japanese and Asian companies including Panasonic and Sanyo
- Toyota is the world leading producer of eco-vehicles (hybrids)
 - Partner with Panasonic in the development and production of lithium-ion battery packs



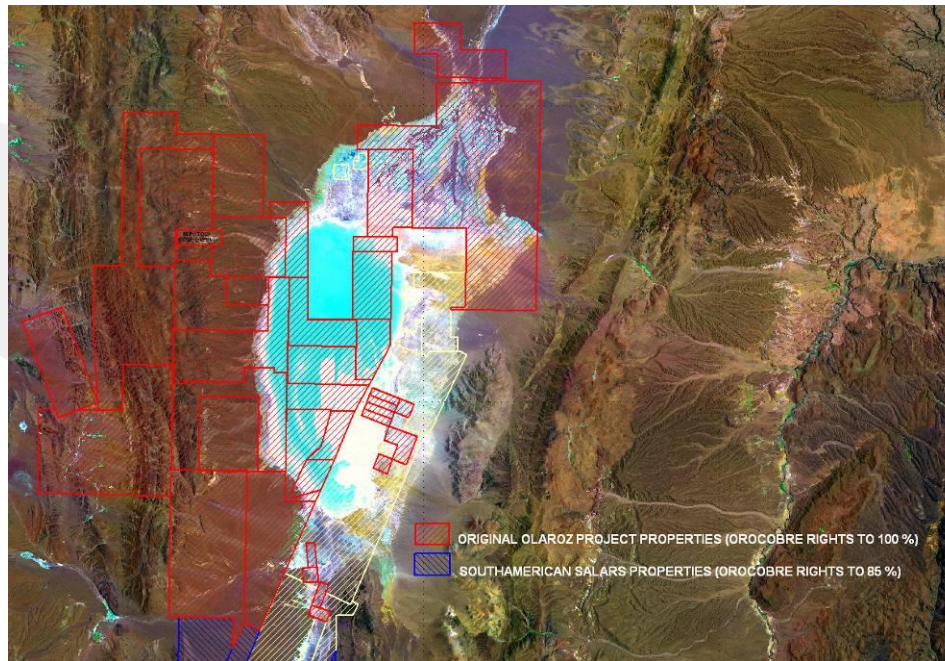
Source: www.toyota.com (Toyota Prius)

Toyota Tsusho has the right to negotiate purchasing or marketing arrangements for lithium chemicals pursuant to the DFS

Salar de Olaroz: Property Package

- Consolidated and dominant land position (100% ownership or with rights to purchase 100%)
 - 21,000 hectares of salar nucleus and prospective salar margins in Olaroz with an additional 33,000 hectares in basin extension to the south (Salar de Cauchari)
- Full surface rights on all key properties
- No time limited sub leases or complex royalty arrangements

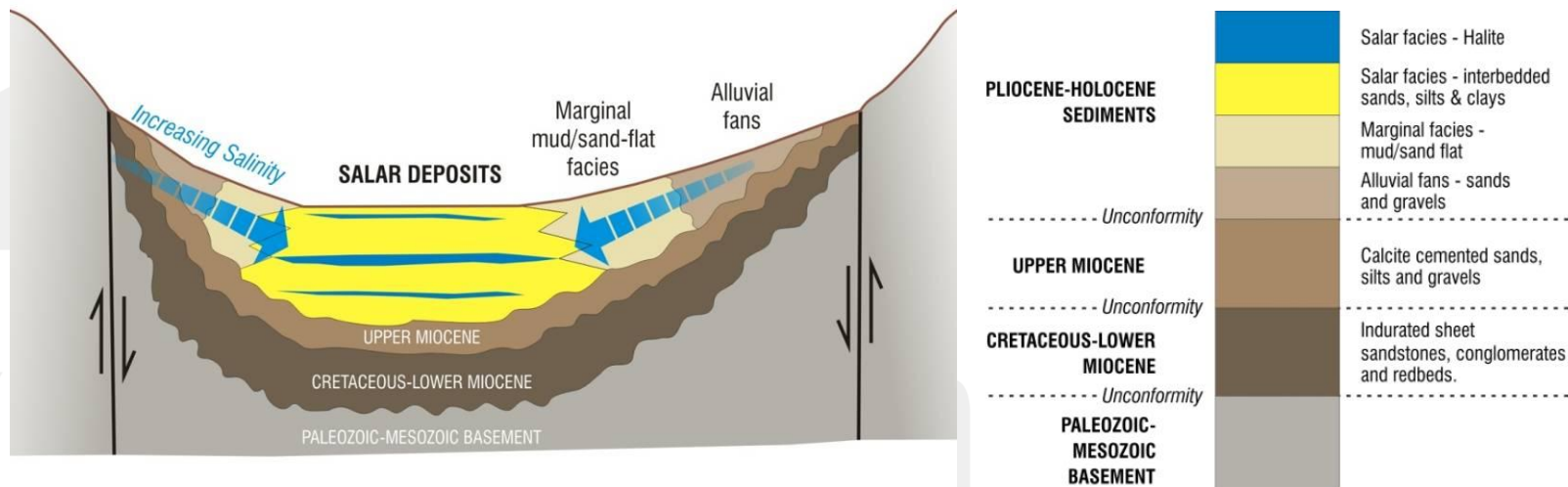
Salar de Olaroz – Orocobre Tenements



Salar de Olaroz: Geology

- Active tectonic area/hot springs, the right rocks to leach, a closed basin and a high net evaporation creates the lithium and potash rich brines
- Interbedded sands, silts, clays and minor halites beneath salt (halite) crust
 - The economic minerals (lithium and potash) are contained in the solutions within this sedimentary sequence
- Most concentrated surface areas are in the brine nucleus

Conceptual Model of Olaroz Basin



CONCEPTUAL MODEL OF OLAROS BASIN

(10 : 1 vertical : horizontal exaggeration)

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Salar de Olaroz: Scoping Study (May 2009)

Inferred Resource⁽¹⁾ 350m kl of brine grading 800 mg/l lithium and 6,600 mg/l potassium

Equivalent to 1.5mt lithium carbonate and 4.4mt potash

Expansion: Significant exploration potential beyond current resource laterally and at depth

Production: 15,000 tpa LCE; 36,000 tpa potash – long project life

Chemistry: Li:Mg of 2.8:1 (excellent); attractive sulphate levels

Capex: US\$80-100M

Cash Cost⁽²⁾: ~US\$1,800/t LCE (net of credits)

DFS Timing: Q3 2010 (Funded by Toyota Tsusho)

Optimization
Potential

(1) Inferred resource calculated from 350 million kl of brine at 800 mg/l lithium and 6,600 mg/l potassium from surface to 55m depth estimated by Geos Mining of Sydney. The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Richard Seville who is a member of the Australasian Institute of Mining and Metallurgy. Mr Seville is a Director of Orocobre Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Seville consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The conversion rate used is 1 tonne of lithium metal produces 5.32 tonnes of lithium carbonate and 1 tonne of potassium produces 1.91 tonnes of muriate of potash

(2) Based on Patterson's Jan 20, 2010 Orocobre research report

Note: The above-stated resource numbers are JORC compliant, not currently NI 43-101 compliant

Salar de Salinas Grandes: World-Class Exploration

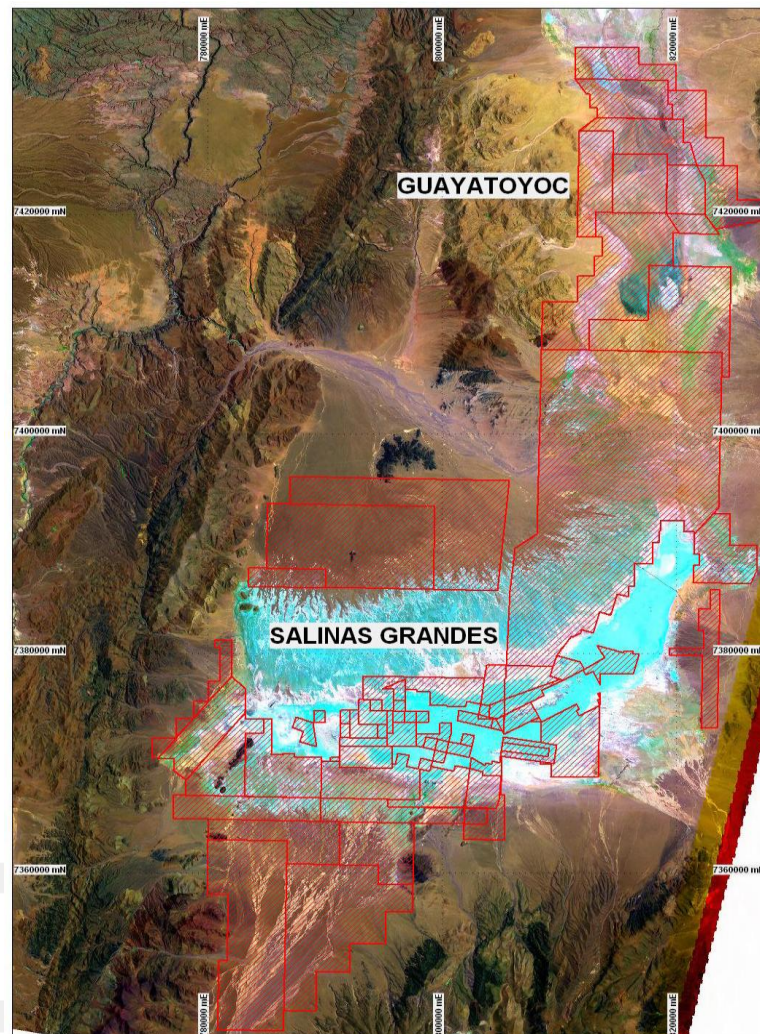
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Salar de Salinas Grandes: World-Class Exploration

- Extensive pit sampling has yielded the highest lithium grades ever discovered in Argentina with very attractive chemistry
 - 1,409 mg/l Li
 - 16,394 mg/l K
 - 2.6 Mg:Li ratio
- If the above-noted metrics prove out, Salinas Grandes could become one of the lowest operating cost brines in the world
- Salinas Grandes is 70 km south-east of Olaroz and is not part of the Toyota Tsusho agreement
- Orocobre holds 12,500 hectares in the salar nucleus
- Q2 2010 work program will include drilling, sampling, and hydrologic and environmental studies

Salar de Salinas Grandes (Jujuy, Argentina)

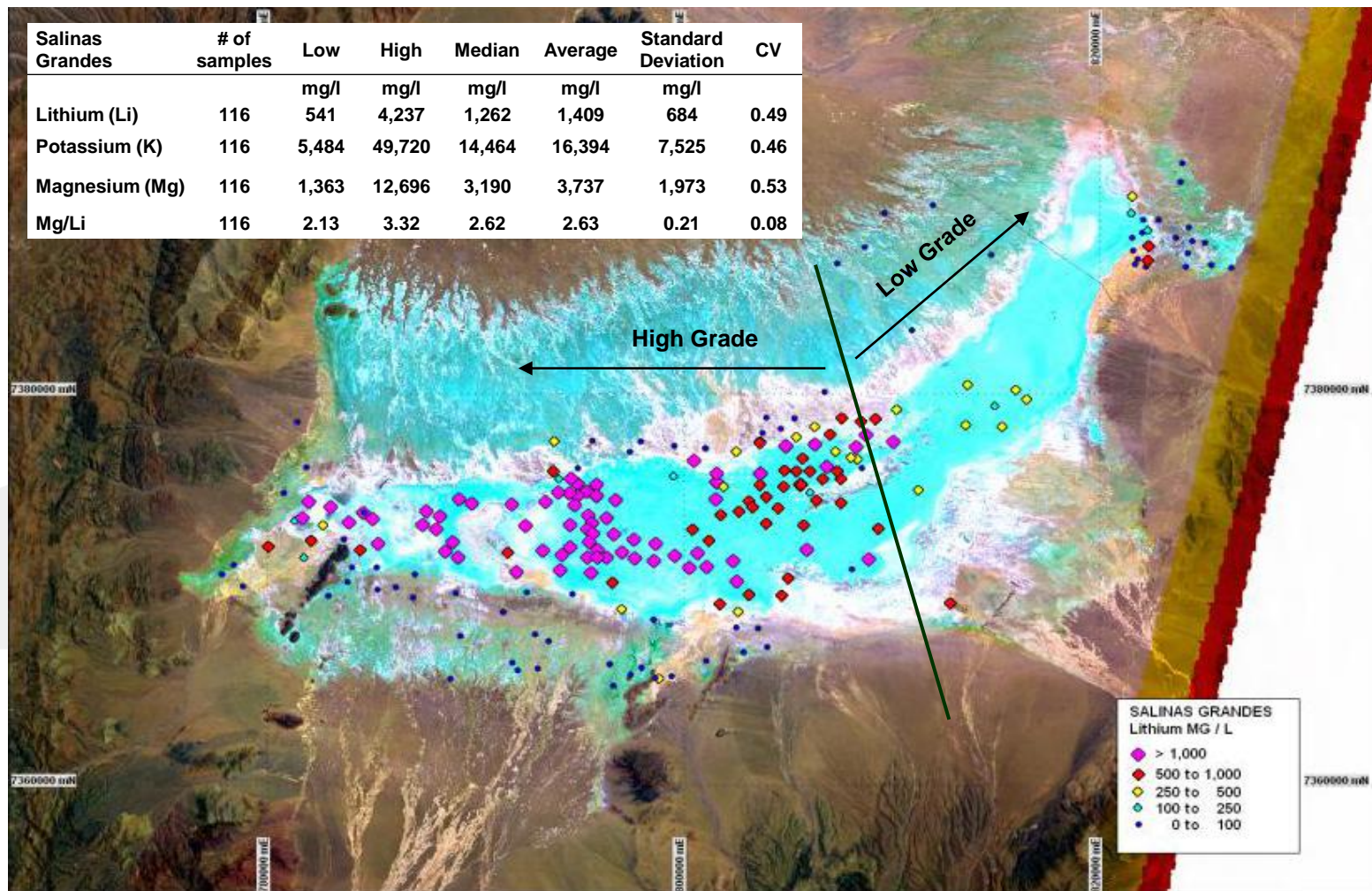


Note: Orocobre tenements outlined in red

Salar de Salinas Grandes: Exploration Results

Drill Program – Grade Results

Salinas Grandes	# of samples	Low	High	Median	Average	Standard Deviation	CV
		mg/l	mg/l	mg/l	mg/l	mg/l	
Lithium (Li)	116	541	4,237	1,262	1,409	684	0.49
Potassium (K)	116	5,484	49,720	14,464	16,394	7,525	0.46
Magnesium (Mg)	116	1,363	12,696	3,190	3,737	1,973	0.53
Mg/Li	116	2.13	3.32	2.62	2.63	0.21	0.08



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Upcoming Milestones

Olaroz

- Q2 2010: Drilling results
- Q3 2010: Definitive Feasibility Study
- Q3-Q4 2010: Finalization of Toyota Tsusho JV agreement
- Q4 2010: Finalization of Toyota Tsusho / JOGMEC financing and project development
- 2011: Construction
- 2012: Initial production

Salinas Grandes

- Q3 2010: Drilling and sampling results
- Q4 2010: Initial resource statement

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Valuation Comparison

- Attractive valuation at 0.6x NAV with significant upside potential at Salinas Grandes

Lithium Comparables

(US\$ millions, unless otherwise noted)

Company	Share Price 8-Mar-10	Market Cap (US\$MM)	Enterprise Value (US\$MM)	Resource		Valuation			
				Type	Lithium (000 t LCE)	NAVPS	EV / Resource (US\$/t LCE)	P/NAV	
Lithium Producers									
Chemical & Mining Co. of Chile Inc. (SQM)	US\$37.58	\$9,891	\$10,648	Brine	18,100 ⁽¹⁾	US\$42.80 ⁽³⁾	n/a	0.9x	
FMC Corp.	US\$59.55	\$4,319	\$4,886	Brine	4,500 ⁽¹⁾	US\$61.50 ⁽³⁾	n/a	1.0x	
Rockwood Holdings Inc. (Chemetall)	US\$26.20	\$1,942	\$4,204	Brine	18,100 ⁽¹⁾	US\$27.25 ⁽³⁾	n/a	1.0x	
Average								0.9x	
Lithium Developers									
Galaxy Resources	A\$1.19	\$164	\$106	Mineral	424 ⁽²⁾	A\$1.27 ⁽³⁾	\$250	0.9x	
Western Lithium Canada Corporation	C\$1.45	\$116	\$110	Clay	1,293 ⁽²⁾	C\$2.43 ⁽³⁾	\$85	0.6x	
Canada Lithium Corp.	C\$0.53	\$76	\$59	Mineral	1,947 ⁽²⁾	C\$0.93 ⁽³⁾	\$30	0.6x	
Average								\$122	0.7x
Orocobre Limited	A\$2.26	\$167	\$159	Brine	1,491 ⁽²⁾	A\$4.00 ⁽³⁾	\$107	0.6x	

(1) As per 'The Trouble with Lithium 2 - Under the Microscope' May 29, 2008, Meridian International Research (Salar de Atacama assumed to be split 50/50 between SQM and Chemtall)

(2) As per company filings

(3) As per consensus analyst estimates

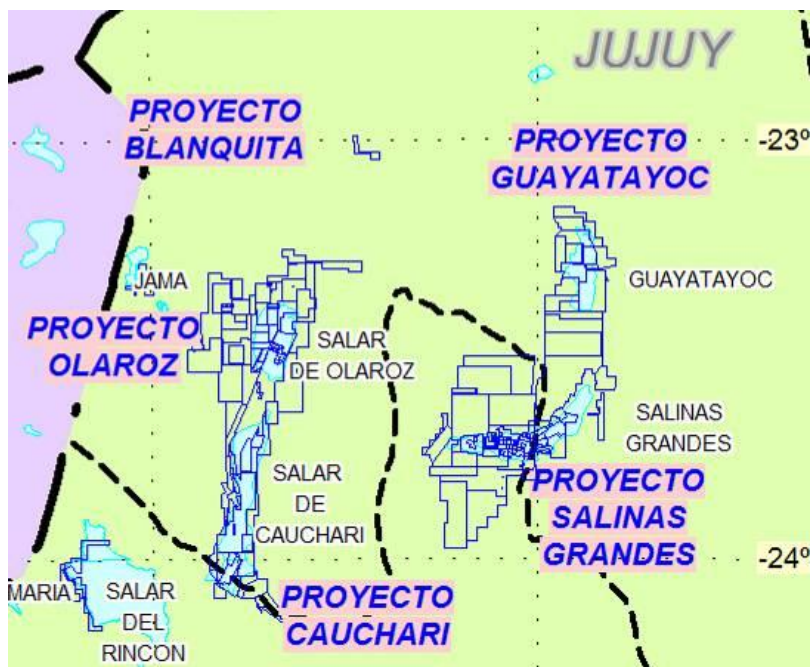
Note: March 8, 2010 spot exchange rates (as presented by Bloomberg) of 0.972 C\$/US\$ and 0.909 A\$/US\$ used

Note: stated resources may or may not be NI 43-101 compliant

Summary

- Low-cost, near-term production at Olaroz
- Supported by Toyota Tsusho strategic partnership
- Most dominant land position in “Lithium Triangle” – over 250,000 hectares
- Significant exploration potential at Salinas Grandes
- Attractive valuation at 0.6x NAV with prospective upside
- Strong lithium market fundamentals

Orocobre Core Property Area



Note: Orocobre tenements outlined in blue

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Orocobre – The Next Low Cost Lithium Producer

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March 2010

Competent Person's Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Richard Seville who is a member of the Australian Institute of Mining and Metallurgy. Mr Seville is a director of Orocobre Ltd and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Seville consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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