Orocobre Limited - Finalisation of Olaroz Stage 2 Finance Facility

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BRISBANE, Aug. 22, 2019 - Orocobre Ltd. (ASX: ORE, TSX: ORL) (“Orocobre” or “the Company”) is pleased to advise that the finance facility for the Olaroz Lithium Facility (“Olaroz”) Stage 2 Expansion has been finalised.

Comprehensive project finance documentation between Orocobre, Toyota Tsusho Corporation (“TTC”), Sales de Jujuy S.A., Jujuy Energia y Minera Sociedad del Estado (“JEMSE”), Mizuho Bank Ltd and Japan Oil, Gas and Metals National Corporation (“JOGMEC”) has now been executed for a US$180 million debt facility (“the Facility”) that will be used for the Stage 2 Expansion of the Olaroz operations.

Sales de Jujuy S.A. operates as a joint venture between Orocobre (66.5%), TTC (25%) and JEMSE, 8.5%.

The Facility has the following key terms:

Principal:	US$180 million
Tenor:	9.5 years to maturity at 10 March 2029
Rate:	Less than 4% per annum
Guarantee:	Joint and Several by ORE / TTC guarantee during construction, largely replaced by a JOGMEC guarante upon project completion (see below)
Repayment:	Principal repayments made biannually, commencing 10 September 2022

Under the terms of the January 2018 share subscription agreement between TTC and Orocobre the parties agreed to provide non cash-backed guarantees for the Facility. Orocobre also agreed to hold US$135 million of cash in a separate reserve account. The cash will be held in an interest-bearing term deposit by Orocobre and may be utilised to meet any Stage 2 Expansion cost overruns and other defined events should they occur. Upon completion of Stage 2 Expansion 82.35% of the Orocobre / TTC guarantee will be replaced by a guarantee from JOGMEC and that proportion of the US$135 million cash will then be available for Orocobre corporate purposes.

The remaining capital that is required for the Stage 2 Expansion will be provided through shareholders loans from Orocobre (75%) and TTC (25%).

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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), (TSX: 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 34.7% interest in Advantage Lithium. 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.