

For personal use only



OROCOBRE
LIMITED

ABN 31 112 589 910

PROSPECTUS 2007

OFFER

An Offer of up to 25,000,000 fully paid ordinary Shares at \$0.25 (25 cents) per Share to raise \$6,250,000 (the Offer).

The Company business is to create value for shareholders through exploration on its lithium, copper-gold, and silver projects which are principally in Argentina.

This offer is underwritten to \$4,000,000.

Sponsoring Broker and Underwriter: Martin Place Securities Pty Ltd

Important Information

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional adviser.

Investment in securities of Orocobre Limited should be considered as speculative.



CORPORATE DIRECTORY

Directors

Executive Chairman
Neil Stuart
Managing Director
Richard Seville
Directors
Paul Crawford
Dennis O'Neill
Jack Tan

Corporate Secretary

Paul Crawford

Company

OROCOBRE LIMITED
ABN 31 112 589 910

Registered Office
Level 1, 349 Coronation Drive
Milton QLD 4064

Principal Office
Level 1, 349 Coronation Drive
Milton QLD 4064

Telephone: 07 3729 8944
Facsimile: 07 3729 8988
Email: mail@orocobre.com.au

Broker/Underwriter to the Offer

MARTIN PLACE SECURITIES PTY LTD
Level 3, 14 Martin Place
Sydney NSW 2000

Postal Address
GPO Box 5263
Sydney NSW 2001

Telephone: 02 9222 9111
Facsimile: 02 8224 9699
Email: info@mpsecurities.com.au
Website: www.mpsecurities.com.au

Share Registry

REGISTRIES LIMITED
Level 2, 28 Margaret Street
Sydney NSW 2000

Postal Address
PO Box R67
Royal Exchange
Sydney NSW 1223

Telephone: 02 9290 9600
Facsimile: 02 9279 0664
Email: callcentre@registriesltd.com.au

Solicitors

Hemming + Hart Lawyers
2nd Floor, 307 Queen Street
Brisbane QLD 4000

Telephone: 07 3002 8700
Facsimile: 07 3221 3068
Email: mail@hemhart.com.au
Website: www.hemhart.com.au

Auditors

ROBERTSONS AUDIT & ASSURANCE PTY LTD
Level 4, 127 Creek Street
Brisbane QLD 4000

Telephone: 07 3229 2022
Facsimile: 07 3221 3277
Email: email@robertsons.net.au

Independent Geologist

MINNELEX PTY LTD
283 Huntingdale Street
Pullenvale QLD 4069

Telephone: 07 3374 2443

ASX Code: **ORE**

www.orocobre.com.au

For personal use only

For personal use only

CONTENTS

	IMPORTANT NOTICES	
	INVESTMENT HIGHLIGHTS	2
	LETTER FROM THE CHAIRMAN	3
	SUMMARY OF KEY RISKS	4
SECTION 1	DETAILS OF THE OFFER	7
SECTION 2	OVERVIEW OF THE COMPANY	10
SECTION 3	BOARD AND MANAGEMENT	16
SECTION 4	RISK FACTORS	18
SECTION 5	INDEPENDENT GEOLOGIST'S REPORT	21
SECTION 6	INDEPENDENT ACCOUNTANT'S REPORT	42
SECTION 7	ARGENTINEAN TENURE REPORT	55
SECTION 8	ADDITIONAL INFORMATION	60
SECTION 9	DEFINITIONS	68
	APPLICATION FORMS	69

IMPORTANT NOTICES

This Prospectus is dated 15 October 2007 and was lodged with ASIC on that date. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus. No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of issue of this Prospectus. Applications can only be submitted on a valid Application Form that is only available with this Prospectus.

Website - Electronic Prospectus

This Prospectus can be downloaded from the Company's web site at www.rocobre.com.au or at www.mpssecurities.com.au. The offer in this Prospectus in electronic form is available only to persons receiving an electronic copy of this Prospectus in Australia. Persons having received a copy of this Prospectus in its electronic form may obtain a paper copy of the Prospectus (free of charge) during the life of this Prospectus by contacting Rocobre Limited or Martin Place Securities Pty Ltd. Applications for Shares may only be made on the Application Form attached to the Prospectus in its paper copy form or as downloaded in its entirety from www.rocobre.com.au or www.mpssecurities.com.au.

Exposure Period

This Prospectus is subject to an exposure period of 7 days from the date of this Prospectus. This period may be extended by ASIC for a further 7 days. The purpose of the exposure period is to enable the Prospectus to be examined by market participants prior to the raising of funds. That examination may result in the identification of deficiencies in the Prospectus. In these circumstances, any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. No Applications will be accepted until the exposure period has expired and no preference will be conferred on Applications received during the exposure period.

No overseas offering

The offer of securities under this Prospectus does not constitute a public offer in any jurisdiction other than Australia. This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to lodge this Prospectus in any jurisdiction outside of Australia, or to otherwise permit a public offering of the securities of the Company, in any jurisdiction outside Australia.

Prospective investors resident outside Australia should consult their professional adviser as to whether any consents are required or whether any formalities need to be observed in the jurisdiction of their residence to enable them to subscribe for securities pursuant to this Prospectus. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Matters to be considered by prospective investors

This document is important and should be read in its entirety before deciding to participate in the Offer. This Offer does not take into account the investment objectives, financial or taxation situation or particular needs of any prospective investor. Before making any investment in the Company, a prospective investor should consider whether such an investment is appropriate to their particular needs and consider their individual risk profile for speculative investments, investment objectives and individual financial circumstances. All Prospective investors should consider consulting their stockbroker, solicitor, accountant or other professional adviser without delay. Some of the risk factors that should be considered by potential investors are outlined in section 4 and on page 5.

By returning an Entitlement and Acceptance Form, you acknowledge that you have received and read this Prospectus and you have acted in accordance with the terms of the Offer detailed in this Prospectus.

Glossary, financial amounts and time

Definitions of certain terms used in this Prospectus are contained in section 9.

There is a technical glossary in the Independent Geologist's Report in section 5.

All references to currency are to Australian dollars.

All references to time are to Australian Eastern Standard Time, unless otherwise indicated.

INVESTMENT HIGHLIGHTS

FOCUS ON ARGENTINA

- highly prospective geology
- undeveloped compared to Chile, its neighbour and a major minerals producer
- attractive investment environment with relatively low sovereign risk
- developed infrastructure

EXCELLENT PORTFOLIO OF LARGE TARGET, EXPLORATION PROJECTS

Olaroz Lithium

- a salt lake in Jujuy Province containing high grade solutions of lithium
- a very large exploration target - 325,000 tonnes of lithium
- ready for immediate drilling, sampling and testwork
- excellent infrastructure

Santo Domingo Copper/Gold/Molybdenum Porphyry

- exposed copper/gold/molybdenum porphyry system in the San Juan Province
- a very large exploration target - +/- 500 million tonnes
- additional target areas highlighted by satellite imagery and recent field work
- close to major population centre and infrastructure
- ready for final phase of rock chip geochemistry and mapping to finalise early drill programmes

EXPERIENCED DIRECTORS AND MANAGEMENT

- directors and management previously involved in the acquisition and early development of several Argentinean projects including the Cerro Negro Epithermal Gold Project (Andean Resources Limited) and the Rincon Lithium Project (Admiralty Resources Ltd)
- Argentinean based management team which has been undertaking exploration on the projects prior to listing on the ASX and will rapidly advance the projects post listing
- experience in advancing projects through exploration, feasibility studies, financing and development



LETTER FROM THE CHAIRMAN

Dear Investor,

On behalf of the Board of Directors of Orocobre Limited it is my pleasure to offer to you this opportunity to participate in the Initial Public Offering of shares in Orocobre.

Orocobre has been operating in Argentina for nearly three years. The Company was established to build on the relationships and Argentinean “know how” a number of its Directors created whilst acquiring and adding value to the Cerro Negro Epithermal Gold project, now the principal asset of Andean Resources Ltd.

Orocobre has assembled a number of high quality, large target exploration projects, each of which, if they live up their potential, could be a “Company Maker”.

The Olaroz Lithium Project has the potential to move rapidly from exploration to feasibility and development once a resource has been established. It has an exploration target of 325,000 tonnes of lithium. The project has a similar geological model and potential mine development profile as the nearby Rincon Project currently being developed by Admiralty Resources Limited. Sampling of the solutions by government agencies has shown the lithium brine content at Olaroz to be high grade and with an attractive lithium to magnesium ratio. The world's hunger for rechargeable lithium batteries associated with electronics and hybrid motor vehicles is driving a rapid increase in the world demand for lithium. In the US, the National Academies considers lithium a mineral critical to the US economy.

The Santo Domingo Copper/Gold/Molybdenum porphyry is a very large target. At low altitude and close to infrastructure, it is remarkable that it has only recently been defined as a high quality exploration target. Exploration by the Company so far has shown an outcropping porphyry system with alteration and mineralisation exposed over several square kilometres. Recent field work has also discovered a large new structural belt to the north of the exposed porphyry, 200 to 300 metres wide and more than 1000 metres long with copper mineralisation visible.

In addition, the Company has other exploration projects in Argentina and Laos which will provide additional prospects for the Company's growth.

On behalf of the Directors, I look forward to welcoming you as a shareholder.



Neil Stuart
Executive Chairman

SUMMARY OF KEY RISKS

A summary of key risks is set out below. Further detail on these risks and others is provided in section 4.

Stock Market Risk

The price of the Company's securities may be highly volatile and can be expected to fluctuate depending on various factors including exploration success, market sentiment, interest rates, and general economic conditions in Argentina and Australia.

Commodity Price Risk

The Company's prospects and share price will be influenced by the price of the commodities targeted in its exploration programs. Commodity prices fluctuate and are affected by factors including the relationship between global supply and demand for minerals, forward selling by producers, derivatives trading the cost of production and general global economic conditions.

Exploration Risk

Mineral exploration is speculative and involves significant risks which even the highest levels of experience, care and planning cannot control. There is no assurance that exploration programmes will be successful in the discovery of new ore bodies or the delineation of resources in any or all of the Company's activities.

Reliance on Key Personnel Risk

The Company relies to a significant extent upon the experience and expertise of the Executive Directors and Argentinean management. These persons possess knowledge of many of the Company's tenements through extensive personal experience of prospecting in those areas. Loss of one or more of these personnel may adversely affect the Company's prospects of pursuing its exploration programmes within the timeframes

and within the cost structure as currently envisaged.

Operating in Argentina Risk

The Company's key assets are its interests in mining tenements in Argentina. As such, there are a number of risks associated with this including:

- Possible changes in Argentine laws and regulations.
- Restrictions on activities imposed by provincial governments. The provincial laws in La Pampa, where the Company has two lower priority exploration projects, do not allow the use of certain chemicals in processing or open cut mining. Exploration activities on the Company's La Pampa prospects will not be affected but the Company's ability to develop mines on these projects may be affected.
- Operating in different time zone with a different language, culture and legal environment, compared to Australia.



For personal use only

QUESTIONS AND ANSWERS

QUESTION	ANSWER	RELEVANT SECTION
What is Orocobre? What does it do now and what will it do following the completion of the Issue?	Orocobre is an exploration company. Over the past few years Orocobre has been acquiring rights to a number of mineral exploration properties in Argentina and conducting limited exploration on these properties. Following this issue, exploration will be accelerated with the aim of discovering mineralisation and delineating resources on one or more of the projects.	Section 2
What is the Offer?	The Offer is an initial public offering of a minimum of 16 million Shares to raise \$4,000,000 and a maximum 25 million Shares to raise \$6,250,000.	Section 1
What is the Offer price?	The offer price is 25 cents (\$0.25) per Share.	Section 1
How will the proceeds of the Offer be used?	Proceeds will be used to explore the Company's mineral interests, to generate working capital and to pay the costs of the Offer.	Section 1 & 2
What is the minimum/maximum application under the Offer?	The minimum application amount is for 8000 Shares at \$0.25 which gives a Minimum Application Amount of \$2,000. Additional Shares can be applied for in multiples of 1000 Shares. There is no maximum amount that may be applied for in respect of the Offer. The Company reserves the right to accept or reject Applications in full or in part.	Section 1
Is the Offer underwritten?	Yes. \$4,000,000 of the Offer is underwritten by Martin Place Securities Pty Ltd.	Section 8
What will the market capitalisation of the Company be upon listing on the ASX?	The market capitalisation of the Company on listing is expected to be approximately \$13,000,000 if the maximum number of Shares under the Offer are issued.	Section 1
What are the key dates of the Offer?	Applications Open - 23/10/07 Applications Close - 19/11/07 Allotment of Shares - 26/11/07 Dispatch Holding Statements - 29/11/07 Anticipated date for commencement of trading of Shares on ASX - 6/12/07 <i>These dates are indicative only. The Company reserves the right to vary the dates and times of the Offer, including the Closing Date.</i>	Section 1
What are the benefits of investing in the Company?	Exposure to a number of prospective and potentially valuable exploration projects in Argentina.	Section 2
What are the key risks of investing in the Company?	The key risks of investing in the Company are: <ul style="list-style-type: none"> • Stock market risk • Commodity price risk • Exploration risk • Operating in Argentina • Key personnel risk <p>Further details of the risks of investing in the Company are set out in Section 4.</p>	Section 4
What are the costs of the Offer and who is paying them?	The total estimated costs of the Offer, which will be borne by the Company, are estimated at \$373,000 to \$465,000 for minimum maximum subscription and include accounting and legal fees, Independent experts cost, ASIC and ASX fees, prospectus printing costs and miscellaneous expenses.	Section 9
When will I receive dividends?	The Company does not intend to declare a dividend in the coming financial year. The Company may distribute dividends in the future based on future growth prospects and capital requirements.	Section 1
What are the tax implications of investing in the Company?	The taxation implications of investing in Shares will depend on an investor's individual circumstances. Applicants should obtain their own tax advice or financial planning advice prior to investing.	
How do I apply for Shares?	Applications for Shares can be made as set out in Section 1.5 of this Prospectus and by completing the Application Form at the end of this Prospectus.	Section 1
When will I receive confirmation that my Application has been successful?	By speaking to your sharebroker, solicitor, professional adviser, banker or accountant.	
How can I obtain further information?	For further contact details, see the Corporate Directory at the front of this Prospectus.	

1

DETAILS OF THE OFFER

Description of the Offer

Orocobre is offering Shares for subscription at a price of 25 cents per Share. The Company seeks to raise up to \$6,250,000 through the issue of up to 25,000,000 Shares.

Issue Price

Shares will be issued at a price of 25 cents, payable in full on Application. Newly issued Shares will rank equally in all respects with all other existing shares on issue.

Minimum and Maximum Subscriptions

The minimum subscription is 16,000,000 Shares to raise \$4,000,000. The Company must also have a minimum of 400 non-related shareholders holding a parcel of not less than 8,000 Shares each. The Company reserves the right to accept oversubscriptions prior to the Closing Date and the maximum subscription is 25,000,000 Shares to raise \$6,250,000.

If the minimum subscription and the minimum number of shareholders are both not reached within three months of the date of this Prospectus the directors will either repay the Application monies to applicants or issue a supplementary or replacement prospectus and allow Applicants one month to withdraw their application and to be repaid their application monies. Interest will not be paid on monies refunded.

Key Dates

Key Event	Date
Date of the Prospectus	15 October 2007
Applications open	23 October 2007
Closing date	19 November 2007
Allotment date	26 November 2007
Dispatch of holding statements	29 November 2007
Trading commences on ASX	6 December 2007

Purpose of the Offer and use of funds

The purpose of the Offer is to provide the Company with sufficient funds to enable it to carry out its exploration programme, related technical studies, provide finance for the acquisition of other mineral properties, and to provide working capital.

The proposed application of funds for the 2 years from the expected date of listing is as follows:

Project / Activity	\$4,000,000 (Minimum Subscription)	\$6,250,000 (Maximum Subscription)
Salar Olaroz	\$1,490,000	\$1,730,000
Santo Domingo	\$850,000	\$1,125,000
Pampa 7	\$85,000	\$185,000
Pampa 8	\$85,000	\$185,000
Laos application	\$60,000	\$140,000
Total Projects and Technical Management	\$2,570,000	\$3,365,000
Progress Payments*	\$580,000	\$580,000
Corporate Administration	\$520,000	\$520,000
Expenses of the Offer	\$373,000	\$465,000
Existing Cash	\$400,000	\$400,000
Remaining Working Capital	\$357,000	\$1,720,000

*See Section 8 for details on purchase agreements..

Information on the Company's projects and the use of funds on these projects is presented in Section 2 of this prospectus.

Following completion of the Offer, the Company will have adequate working capital to carry out its objectives.

The use of funds is contingent upon progressive results of exploration and associated technical studies. Management reserves the right to change the allocation of funds as circumstances dictate.

Capital Structure

The proposed capital structure of the Company following completion of the Offer is as set out below:-

Shares	\$4,000,000 (Minimum)	\$6,250,000 (Maximum)
Shares offered to the public under the Offer	16,000,000	25,000,000
Existing Shares on issue	27,119,187	27,119,187
Existing Options on issue**	7,000,000	7,000,000
Total number of Shares on issue following this Offer	43,119,187	52,119,187
Total number of Options on issue following this Offer**	8,000,000	8,000,000
Amount to be raised under this Offer before costs	\$4,000,000	\$6,250,000
Market capitalisation at the Offer Price of 25 cents	\$10,779,797	\$13,029,791

* Shares are on offer at 25 cents per Share.

** 1,000,000 options to be issued to Martin Place Securities Pty Ltd on successful completion of this issue

Dividend Policy

The Company does not yet have a dividend policy. The Company has no immediate intention to declare or distribute dividends. Payment of future dividends will depend upon the future profitability and financial position of the Company.

Risk Factors

Investment in shares under this Prospectus should be considered as speculative because of the inherent risks in mineral exploration. There are also inherent risks in the delineation of mineral reserves and in mineral production. A summary of some of the risk factors that face the Company are set out in section 4 of this Prospectus. Potential investors should read this Prospectus in full and consult their stockbroker, accountant or independent financial advisor if they require further



The minimum application is for 8,000 Shares paid to 25 cents (\$2,000) and thereafter in multiples of 1000 Shares (\$250). Applications must be accompanied by payment in Australian currency of 25 cents for each Share. Cheques should be made payable to "Orocobre Limited Share Offer Account" and crossed "Not Negotiable". No brokerage or stamp duty is payable by Applicants.

Completed Application Forms and accompanying cheques should be delivered or posted to either:

Registries Limited

Level 2, 28 Margaret Street,
Sydney NSW 2000 (delivery address)

Or

PO Box R67, Royal Exchange,
Sydney NSW 1223 (postal address)

or

Orocobre Limited

Level 1, 349 Coronation Drive, Milton, QLD
4064 (delivery address)

GPO Box 3233, Brisbane, Qld 4001 (postal
address)

and must be received at the above address by
5.00 pm AEST on the Closing Date.

Allotment

The Company reserves the right to allocate the Shares in full on any Application or to allocate any lesser number of Shares applied for or reject any Application. The Company has discretion with respect to the acceptance of Applications and the allocation of Shares and reserves the right to allocate each applicant a lesser number of Shares than the number for which the applicant applies. If the number of Shares allocated is less than the number applied for, the surplus application money will be refunded to the applicant without interest. Holding statements will be dispatched as soon as possible after allotment. It is the responsibility of Applicants to confirm the number of Shares allotted to them prior to trading in the Shares. Applicants who sell Shares before they receive notification of the number of Shares allocated to them do so at their own risk.

information on the risks associated with investing in the Company, before submitting the Application Form.

How to apply

If you wish to subscribe for Shares you may either:

- complete and return the Application Form which is attached to a paper copy of this Prospectus; or
- print a copy of the online Prospectus and complete and return a copy of the Application Form.

Instructions for completing the Application Form are set out on the reverse of the Application Form. Shares will only be issued on receipt of an Application Form issued together with this Prospectus (whether in paper or electronic form).

For personal use only

Underwriting Brokerage and Handling Fees

The Company has an agreement with Martin Place Securities Pty Ltd to act as Underwriter and Broker to the Offer. Under the agreement (the terms of which are summarised in Section 8). Martin Place Securities Pty Ltd is to manage the issue and the obtaining of subscriptions to the Offer.

The Offer of 25,000,000 fully paid ordinary shares has been underwritten by Martin Place Securities Pty Ltd to the level of 16,000,000 Shares (\$4,000,000). The Underwriting Agreement is subject to certain conditions including circumstances under which Martin Place Securities Pty Ltd may terminate its obligations, as summarised in Section 8.3 of this Prospectus. The Underwriter will be paid a management fee of 1,000,000 Broker Performance Options, and 1% of all funds raised, an underwriting commission of 5% of the Underwritten Amount and a capital raising commission of 5% of the funds raised by the Underwriter above the Underwritten Amount. The Underwriter will also be reimbursed for its costs and expenses associated with the underwriting.

Brokerage and/or handling fees on Applications for Shares will be payable to member firms of the ASX or licensed investment advisers on such Application Forms bearing their stamp and accepted by the Company. Any such brokerage or handling fees will be paid by Martin Place Securities Pty Ltd out of its brokerage fee in accordance with the provisions of the Corporations Act up to the underwritten amount.

ASX Listing

Application will be made to ASX within 7 days of the date of the Prospectus for the Company to be admitted to the official list of ASX and for Quotation of the Shares issued pursuant to the terms of this Prospectus, together with Shares already on issue. If an application for admission of the Shares to quotation is not made within 7 days of the date of this Prospectus or the Shares are not admitted to quotation within the time specified in Section 723(3) of the Corporations Act, all application monies under this Offer will be refunded without interest in accordance with the Corporations Act. ASX accepts no responsibility for the contents of the Prospectus or the investment to which it relates. The fact that ASX may admit the Company to its official list is not to be taken

in any way as an indication of the merits of the Company.

Chess

The Company will apply to ASX to participate in the Clearing House Electronic Subregister System (CHESS). Accordingly, Share certificates will not be provided to successful applicants. Following allotment, the Company will provide Shareholders with holding statements that set out the number of Shares allotted to each successful applicant in accordance with this Prospectus. That notice will also advise Shareholders of their holder identification number and sponsoring issuer number. An explanation of sale and purchase procedures under CHESS will accompany the notice. If there is a change in Share holdings during a month, the relevant Shareholder will receive a statement to that effect at the end of that month. That person may also require the Company to provide a statement at other times subject to payment of an administration fee.

Overseas Distribution

The distribution of the Prospectus outside the Commonwealth of Australia may be restricted by law. Consequently, all persons who receive the Prospectus must inform themselves of all applicable laws and observe any such restrictions. The failure to comply with any applicable restrictions may constitute a violation of securities laws. This Prospectus is not intended to, and does not, constitute an offer of securities in any place in which, or to any person to whom, the making of such an offer would not be lawful under the laws of any jurisdiction outside Australia.

Restricted Securities

The Shares of the Company on issue prior to the Offer may be subject to various escrow conditions imposed by ASX under its Listing Rules. The holders of the Shares will be required to enter into agreements to satisfy ASX requirements before the Company is admitted to the Official List of ASX.

None of the Shares to be issued under the Offer pursuant to this Prospectus will be restricted securities.

Withdrawal

The Directors may at any time decide to withdraw this Prospectus and the Offer, in which case Orocobre will return all Application Monies (if applicable) without interest within 21 days of giving notice of its withdrawal.

Privacy Matters

If investors complete an Application form, investors will be providing personal information to the Company (directly or to the Company's share registry). The Company collects, holds and will use that information to assess an investor's application and for corporate communications to an investor as a shareholder and to carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for the Company's securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

Shareholders can access, correct and update the personal information that the Company holds about shareholders. Shareholders may contact the Company or its share registry if shareholders wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1998 (Cth) as amended. Investors should note that if investors do not provide the information required on the Application Form, the Company may not be able to accept or process an application.

Financial Forecasts

The Company is a exploration company. Given the speculative nature of exploration, mineral development and production, there are significant uncertainties associated forecasting future revenues. On this basis the directors believe that reliable forecasts cannot be prepared and accordingly have not included forecasts in this Prospectus.

Investor Enquiries

Additional copies of the Prospectus or further advice on how to complete the Application Form can be obtained by telephoning or visiting:

Martin Place Securities Pty Ltd

L3, 14 Martin Place, Sydney NSW 2000

Phone: 02 9222 9111

Fax: 02 8224 9699

Website: www.mpsecurities.com.au

2

OVERVIEW OF THE COMPANY

Experience in Argentina

The Company's focus on Argentina arose following the experiences of a number of the directors and management in Argentina over the past 10 years.

In particular, a number of the Directors were instrumental in the targeting and acquisition, from MIM Holdings Ltd, of the Cerro Negro Epithermal Gold Project in the Santa Cruz province. This project has since proved its early potential and is now the principal asset of Andean Resources Ltd and has a current resource of <1,500,000 ounces gold, an amount which may well grow significantly with ongoing drilling programmes.

A senior member of the Company's Argentinean management team was involved in the early stages of the Rincon Lithium Salar now being developed by Admiralty Resources Ltd. As General Operations Manager, from 2001-2005, involved in the delineation and early development of the project. Recent recoverable reserve estimates of 1,400,000 tonnes of lithium and 55,000,000 of potash have a reported value of US\$44 billion.

This background and collective experience highlighted the under-developed mineral potential of Argentina and the potential to delineate and acquire potentially world class exploration projects.

The Company has been operating in Argentina for nearly 3 years and, building on the previous relationships of its directors, has built up an established exploration team. The two senior geological personnel are Argentinean nationals and the Company is well placed to accelerate work on its projects and produce early results post listing.

Argentinean Prospectivity

Although the geology of the Andean parts of Argentina is similar to its mountainous neighbour Chile, it has been comparatively poorly explored and its mineral potential not developed to the same degree.

However, over recent years, things have started to change. New federal mining legislation was introduced in the mid 1990's providing a more certain and attractive framework for foreign companies. In 1989, fewer than a dozen foreign exploration companies had offices in Argentina. Currently however, the number of foreign exploration companies exceeds 100. As a result of this interest a number of substantial gold and base metal deposits have been discovered and developed within the last few years.

The gold and base metal mineral potential of Argentina can be divided into 4 main regions:

- The Puna region of the higher Andes for large copper, gold, silver, tin, lead and zinc deposits.
- The centre for gold, porphyry copper, nickel-platinum and manganese.
- The central Cordillera and Precordillera for porphyry copper and gold.
- Patagonia, for epithermal gold and silver deposits and polymetallic lead-zinc deposits.

Copper and gold mineralisation occurs predominantly in the southern Andean belt that extends over 1,000 km through north western Argentina. This has now been extended to include the newly discovered Santa Cruz gold belt in southern Patagonia.

Principal new deposits recently discovered in Argentina include:

- The **Bajo de la Alumbrera** copper/gold mining operation in the Catamarca Province. This is ranked as one of the world's largest porphyry ore bodies. Production began in 1998 with resources of 806,000,000 tonnes at 0.51% copper and 0.64 g/t gold.
- The **Veladero** gold deposits, which straddle the Chile-Argentina (San Juan Province) border, has proven and probable reserves of 262,000,000 tonnes containing 14,000,000 ounces gold and 440,000,000 ounces silver.
- The **Cerro Vanguardia** epithermal gold and silver deposit situated in Santa Cruz Province. The deposit originally (1999) had mineable reserves of 8,000,000 tonnes at an average grade of 10 g/t gold and 3.5 oz/t silver (greater than 3,000,000 ounces gold equivalent).
- The **Cerro Negro** epithermal gold and silver deposit in Santa Cruz Province (currently a resource of 750,000 ounces gold) where recent bonanza grade drilling results are expecting to grow the deposit's resource significantly.
- The **Esquel** Project located in Chubut Province; a high grade gold deposit with resources totalling 3,800,000 ounces gold and 7,000,000 ounces silver.
- The **Martha Mine**, located in Santa Cruz Province in southern Argentina. In 2006, the mine produced approximately 2,700,000 ounces of silver and more than 3,000 ounces of gold averaging approximately 60 ounces silver per ton from intermediate sulfidation, epithermal

quartz and quartz adularia veins and veinlets and breccias.

- The **Agua Rica** porphyry copper gold deposit in the Catamarca Province, similar in size to Alumbra, with proven and probable reserves estimated at 681,000,000 tonnes averaging 0.25 g/t Au and 0.6% Cu.
- The **El Pachon** copper project located west of San Juan Province, near the border with Chile, with reserves of 880,000,000 tonnes grading at 0.6%Cu, 0.015%Mo, 0.2 g/t Au and 2.4 g/t silver.
- The **Rincon Salar** located in Salta Province with proven and probable reserves of 1,400,000 tonnes of lithium and 51,000,000 tonnes of potash.

None of these projects are assets of the Company.

The Company's Projects

Orocobre has assembled a portfolio of prospective exploration tenements in Argentina. Additionally, the company has an exploration license application in Laos.

The Argentinean projects are a lithium salar (salt lake) and three prospective copper/gold silver projects.

OLAROZ LITHIUM PROJECT Lithium, potash, boron

Location and Access

The **Olaroz Lithium Project** consists of 7,600 hectares of tenements (cateos) over a salar (salt lake) known to contain high values of lithium in brine. The project is located in the Jujuy Province in the elevated and arid Puna region in the north - western part of the country and is well served by infrastructure with access by sealed road and nearby high voltage electricity, gas pipelines and rail.

Prospectivity and Exploration Target

Unlike most exploration targets, the mineral value occurs in solution. Lithium is concentrated in the salt brines and exploitation requires a detailed understanding of brine chemistry and porosity/permeability over the deposit. This is obtained by drilling, sampling of the brines and pumping tests together with associated processing test work. If viable, the



Olaroz - Sealed road access with buried gas pipeline

deposit would be mined by pumping out the dissolved lithium from a depth of up to 60 metres for processing on site into final or intermediate products. The effective porosity has been assumed to be 8-10% at this stage.

Indicative lithium grades based on sampling by government agencies is relatively high at 0.09% and this compares favourably with other possible brine sources of lithium.

The Rincon Salar, currently being developed by Admiralty Resources Ltd, is located nearby. Admiralty Resources Ltd have recently reported reserves of 1,400,000 tonnes of lithium and 55,000,000 tonnes of potash (allowing for recovery figures of 75% and 70% respectively) with a reported value based on the 2006 lithium carbonate price of US\$44,700,000,000. This was a significantly higher figure than the previous inferred resource of 253,000 tonnes contained lithium. This was principally due to testwork showing effective porosity of up to 38% compared to the 8% previously assumed. The brine's chemistry was also reported as homogeneous throughout the deposit.

Olaroz is in the same vicinity as Rincon and has a similar geological model. Although smaller in area, it has higher indicative lithium grades. The Company considers Olaroz has significant potential and is a very large exploration target. Minnelex Pty Ltd, the Company's independent geological consultant suggests the exploration target is potentially in excess of 325,000 tonnes of contained lithium (>1,700,000 tonnes of lithium carbonate) based on 10% porosity. It is geologically reasonable to assume that the

Rincon geological model will have similarities at Olaroz. If Olaroz has as high an effective porosity as Rincon, Minnelex considers the Olaroz exploration target could be 3 to 4 times the size. There is also potential for other products such as potash and borates.

The Lithium Market

Lithium is sold as brines, compounds or mineral concentrates. For many years, the majority of lithium compounds and minerals were used in the production of ceramics, glass and primary aluminium production. More recently growth in lithium battery use has resulted in batteries gaining market share and perhaps soon becoming the leading end use of lithium. The main markets for lithium products produced by Sociedad Quimica Minera de Chile (SQM), the world's largest producer, are ceramics and glass (21%), batteries (20%), lubricating greases (17%), pharmaceuticals and polymers (9%), air conditioning (7%), primary aluminium production (5%), and other (20%).

The lithium market has been growing at 4-5% per annum and this is forecast to continue. Current demand of approximately 80,000 tonnes per annum of lithium carbonate equivalent is forecast to rise to nearly 100,000 tonnes per annum in 2010. Growth in the United States demand for lithium has been greater, with a 79% increase since 2003. This growth has been caused by increased consumption in all end uses except aluminium production and in particular in the area of battery production.

For personal use only

Lithium battery sales now represent two thirds of all rechargeable batteries and growth is expected to continue. Worldwide, rechargeable lithium batteries power more than 60% of cellular telephones and 90% of laptop computers and this market has been growing at 20% per annum over recent years. Although automakers have traditionally used nickel-metal hydride batteries, major automobile manufacturers including GM, Toyota and VW have been working on using lithium ion batteries for hybrid electric vehicles. Toyota are planning to produce one million hybrid electrical vehicles powered by lithium ion batteries by the end of the decade.

With increased demand, prices have also been rising. Based on US customs declarations, lithium carbonate prices have increased by 59% from 2005 to 2006. Prices for lithium have reportedly increased from US\$2,750 to US\$5,500/t in 2006 due to increased demand for batteries. The journal Industrial Minerals reported lithium carbonate prices of US\$6,000/t in 2006.

Chile has been the major producer of lithium carbonate since 1997. Chilean lithium is sourced from two lithium brine operations on the Salar de Atacama (approximately 150 kilometres west from Salar Olaroz) operated by SQM and FMC Corporation (FMC). Concentrated brines are further processed at Antofagasta. Lithium chloride and lithium carbonate are also produced at the Salar del Hombre Muerto in Argentina (FMC) with combined production of around 16,000 tonnes. Admiralty Resources Ltd is currently developing a new operation at the Rincon Salar in Argentina to produce 17,000 tonnes per annum of lithium carbonate, chloride and hydroxide. Australia is the largest producer of lithium concentrates but these concentrates are only used in ceramics and glass manufacture and not suited to battery manufacture.

At current growth rates in the demand for lithium, a new project the size of Rincon or Olaroz will be needed every four years.

SANTO DOMINGO PORPHYRY Copper/gold/molybdenum

Location and Access

The project is located in the San Juan Province approximately 20 kilometres from a sealed



Olaroz - Sampling

highway, approximately 1 hours drive from the provincial capital, San Juan (population 800,000) with grid power and on the railway. Unlike many other porphyry copper projects, **Santo Domingo** is at low altitude, 1,250 metres, and well supported by infrastructure and labour. This will reduce the development hurdles should potentially economic mineralisation be discovered.

Prospectivity and Exploration Target

Preliminary exploration suggests a porphyry style copper/gold/molybdenum environment

as indicated by extensive high-sulphidation alteration and mineralisation. Copper staining is common and rock chip samples of nearby non-copper stained rocks have assayed up to 4.64 g/t gold. Typically porphyry targets are very large, up to 1-2 billion tonnes but at low grade 0.3-1.0% copper. This style of mineralisation produces the majority of world copper production with Chile, from Andean porphyry copper deposits, being the largest producer.



Santo Domingo - Alteration and copper mineralised zone



Santo Domingo - copper mineralisation

Santo Domingo is a recent discovery and has not previously been explored by other companies. No drilling has been carried out but surface sampling and appraisal by Orocobre has highlighted the existence of broad zones of alteration and mineralisation. Recent field work has also highlighted its prospectivity. Mapping has discovered a large new structural belt to the north of the exposed porphyry, 200 to 300 metres wide and more than 1000 metres long, with copper mineralisation visible.

The exploration target suggested by the extensive mineralisation is in the order of 500,000,000 tonnes.

ASTER satellite imagery has highlighted structures and clay alteration away from the exposed porphyry. These suggest the potential for additional porphyry and/or hydrothermal targets away from the exposed porphyry.

**PAMPA7 / PAMPA 8
Silver, Zinc, Lead, Copper, Gold**

Location and Access

Pampa 7 and **Pampa 8** are located in a sparsely populated area of Pampa province at the northern end of Patagonia, central Argentina. There is permanent water and the area has skilled labour from the agricultural sector.

Prospectivity and Exploration Target

At **Pampa 7**, previous work defined several mineralised structural corridors, some 100 metres wide, containing siliceous and jasperoidal veins and veinlets containing magnetite and barite that have returned rock chip silver values from 3 to 270 ounces per tonne. Gold is present and zinc values are anomalous over extensive areas. Mineralisation is suggestive of a low level epithermal system. Previous drilling intersected 134 m at 25 g/t silver.

At **Pampa 8** a body of quartzite extending for 8 kilometres carries disseminated copper/iron/molybdenum mineralisation. At the southern margin rock chip assays ranging up to 4.5 g/t gold and 9% copper were located. Airborne magnetics show possible extensions of the quartzite for 12 kilometres to the northwest and one of two drill holes to test anomalies suggested a highly magnetic source extending north easterly from the quartzite was a diorite body and the probable source of the copper. Although Pampa 7 and Pampa 8 are very large exploration targets, recently enacted legislation by the La Pampa provincial government placing restrictions on mine developments in the province has placed a lower priority on these projects within the Company's project portfolio.



Santo Domingo - cupriferous and ferruginous breccia



Pampa 7 - Typical countryside

For personal use only



Pampa 8 - quartzite outcrop

LAOS

Orocobre has an exploration license application in Laos within the highly prospective Loei mineralisation belt which hosts the +4,000,000 ounce Chatree deposit in Thailand developed by Kingsgate Consolidated Limited.

24 Month Work and Expenditure Programme

The proceeds of the Offer, after payment of expenses, will be used as working capital to fund the following major budget items:

- Drilling and bulk sampling of the brines followed by process engineering testwork on the Olaroz Lithium Salar, and if

successful, further drilling, engineering and feasibility studies

- Exploration including remote sensing, geochemical sampling and drilling on the Company's base metals and gold/silver exploration projects. This will occur in a number of phases with each programme dependent on the results of the previous one.
- Progress payments relating to the purchase agreements on the properties.
- Corporate administration costs.

The proposed 24 month exploration budget for the Company is set out in the following table, based on both the Minimum Subscription of \$4,000,000 and the Maximum Subscription of \$6,250,000 raised through this Prospectus.

Project / Activity	\$4,000,000 (Minimum Subscription)	\$6,250,000 (Maximum Subscription)
Salar Olaroz	\$1,490,000	\$1,730,000
Santo Domingo	\$850,000	\$1,125,000
Pampa 7	\$85,000	\$185,000
Pampa 8	\$85,000	\$185,000
Laos application	\$60,000	\$140,000
Total Projects and Technical Management	\$2,570,000	\$3,365,000
Progress Payments*	\$580,000	\$580,000
Corporate Administration	\$520,000	\$520,000
Expenses of the Offer	\$373,000	\$465,000
Existing Cash	\$400,000	\$400,000
Remaining Working Capital	\$357,000	\$1,720,000

*See Section 8 for details on purchase agreements..

In the event that the raising only achieves the Minimum Subscription of \$4,000,000, and as set out above, the Directors propose to prioritise the exploration programmes on the Olaroz and Santo Domingo projects.

In the event that the funds raised are greater than the Minimum Subscription, but less than the Maximum Subscription, additional work will be undertaken on these projects.

An overview of Argentinean Foreign Investment and Mining Law

The following information is included primarily to assist investors to better understand the investment and regulatory climate of Argentina, in so far as it relates to Orocobre's activities.

Background

The population of Argentina is over 36,000,000, predominantly of Spanish and Italian descent. The country is over 207,000,000 square kilometres in area.

Argentina is considered to be highly prospective for minerals, but its mineral exploration and development industry lags well behind its neighbour Chile. Traditionally, mining has played only a minor role in the country's general economy, but in recent years, with more favourable mining and foreign investment laws, exploration and mining activity has increased markedly and there are several major projects in operation.

Major and junior exploration companies principally from Canada and Australia are now established and working in Argentina. The Directors of Orocobre consider that there are still great opportunities for profitable investment in the Argentine mining sector, and since several of the Directors have been involved in Argentina since 2001, the in-house knowledge accumulated over the years assists the Company to identify such highly prospective opportunities.

Foreign Investment

In 1993, far-reaching changes to Argentina's foreign investment laws were enacted by the Foreign Investment Act. The principal effects of these changes were to remove all restraints on foreign investment, to ensure a freely convertible currency and permit the repatriation

of capital and remit profits without restriction. Foreign investment may be undertaken in Argentina by 100% foreign owned companies without prior approval or registration requirements. There are no taxes on equity transactions, and a 30% flat tax applies to the taxable income of Argentine and foreign corporations.

Investment in the Mining Industry

Argentina's *Mining Investment Law* establishes an investment regime which may be utilized by entities undertaking mining activities. The objective of the Mining Investment Law is to provide a guarantee of fiscal stability as well as various duty and tax exemptions to mining industry participants. A key feature of the regime is the guarantee of project fiscal stability for a period of thirty years from the date of filing of the relevant feasibility study, with the legislation guaranteeing for a period of up to 30 years that the total fiscal burden on a mining company participating in the regime may not be the subject of new or increased taxes to those already applicable to it. The stability also extends, subject to certain conditions, to the exchange and tariff systems. Participants may also be eligible for 100% double taxation deductions for the expenses of prospecting and exploration activities, accelerated depreciation, exemption of certain profits from taxation, import duty exemptions and a 3% cap on provincial royalties.

Value Added Tax (VAT) is applied in Argentina at a rate of 21%. This is refundable in certain circumstances for investment and capital goods.

Mining Exploration and Development Regulation

Argentina is a federal nation and until 1993 Argentina's mineral resources were administered in a decentralised manner between its 23 provinces. However, in the mid 1990's the provinces entered into an agreement with the Federal Government to standardize mining policies and procedures concerning the application for, and registration of mineral rights.

Each province has its own specific procedural powers within the confines of the Federal Law, which may impact favourably or unfavourably on mining operations within those provinces.

Orocobre is presently operating on tenure in Jujuy, San Juan and La Pampa Provinces. The Company's two main projects are located in Jujuy and San Juan provinces where large scale metalliferous mining operations and developments already exist. The Company's lower priority exploration projects are in La Pampa where legislation has imposed restrictions on the use of chemicals such as cyanide in processing and the use of open cut mining methods. Although exploration rights in La Pampa are not affected, these restrictions, which may be unconstitutional, will affect any mine development should a discovery be made in La Pampa.

The Argentinean Government is currently involved in a programme of standardising industry regulation across the provinces.

Argentina's *Mining Code* establishes the general regime for the grant of rights to minerals through Government concessions. Concessions granted under the Mining Law have the following general characteristics:

- They are valid only if established in accordance with the Mining Law.
- The grant of a concession may attract an obligation for landowner compensation, but landowners do not have any veto rights over the grant of the concession or activities conducted on the concession.
- No consideration is payable to the State for a grant.
- Concessions are fully transferable.
- Concessions can be mortgaged.
- Concessions will be subject to environmental management conditions.
- Concessions are subject to a royalty.
- Concessions are liable to forfeiture either by the State, or upon application of other parties, if work and other covenants are not met.
- Concessions give the holder the right to extract and sell specified minerals subject to an approved plan of operations (e.g. dealing with mining safety, environmental and other matters) and subject to the royalty payable to the Provincial Government.

The principal type of exploration concession, the Concesion de exploracion y Cateo, is granted for an approximate 3 year term and places a relatively small number of obligations on the grantee. There are no standard statutory expenditure requirements imposed on a grant, but a grantee will need to provide a work program of proposed exploration activity as part of the process of applying for the grant of a concession. These concessions are a form of tenure that equates to "Exploration Permits" or "Exploration Licences" in Australia. If a mineral deposit is discovered, these concessions can be converted to tenements which allow mining and are usually referred to Minas.

3

BOARD AND MANAGEMENT

Orocobre Limited and its Board

The Company has assembled a highly experienced board with all of the directors having significant board experience with listed resource companies. Two of the directors have experience running a company operating in Argentina and three of the directors have experience as managing directors or executive directors.

The Board is responsible for the corporate governance of the Company, including its strategic development. The Board comprises five members, two of which will have executive and management function. The Board is responsible for setting corporate strategy. It establishes goals for management and monitors performance against these goals.

Profile of Directors and Executive Management

The current directors of the Company are:

NEIL STUART M.Sc., FAusIMM, MMICA, MAIG.

Executive Chairman

Mr. Stuart is a highly experienced exploration geologist with over 35 years experience in the minerals industry. He is a Fellow of The Australasian Institute of Mining and Metallurgy, a Member of The Australian Institute of Geoscientists and a number of other professional organisations.

Earlier in his career, he worked with Utah Development Company (for uranium, base metals and coal) and then managed the highly successful coal exploration program for Marathon Petroleum Australia Ltd with activity in all states of Australia, Kenya, Morocco, South Africa, Madagascar and Indonesia.

In 1979 Mr. Stuart established a Geological Consultancy based in Brisbane and has since undertaken assignments for numerous major and junior mining companies. Work during this period involved many commodities including gold, base metals, coal and uranium. A significant part of his work has been the delineation and acquisition of projects.

Since 2000 Mr. Stuart has been heavily involved in project delineation and acquisition in Australia, Mexico and Argentina. As a founding Director of Oroplata Limited, he was instrumental in acquiring the highly prospective Cerro Negro Epithermal Gold Project from MIM Holdings Ltd and advancing the project until the company merged with Andean Resources Limited.

He was a founding director and executive of ASX listed company Rimfire Pacific Mining N.L. until leaving the company in February 2000. He is currently the non-executive Chairman of ASX listed Bowen Energy Ltd.

RICHARD SEVILLE BSc (Hons), MEngSc, MAusIMM, MAICD, ARSM

Managing Director

Mr. Seville is a mining geologist and geotechnical engineer with 25 years experience covering exploration, mine development and mine operations. He has also had significant corporate experience, having had many years in the role of Operations Director and/or CEO in ASX/AIM listed mining companies.

After early experience with Mt Isa Mines Ltd, he worked in the Western Australian gold industry prior to returning to Queensland. He was project manager for the Burton Coal project prior to its sale to Portman Mining Ltd. Subsequently he was a founding director of Murchison United N.L. which listed in 1994 and where he was Operations Director until 2000. During this period, he was responsible for the development and operations of Mt Cuthbert Copper Mine (now operated by Matrix Metals), the Renison Bell Tin Mine, and the Ambor Coal Project in Indonesia.

From 2001 to 2006, he was Managing Director of Renison Consolidated Mines where he was responsible for advancing the Tom's Gully Project through from exploration to production whilst building the company's asset base through the acquisition and advancement of other projects, including the Agate Creek Epithermal Gold Project and coking coal projects in northern NSW. From 2005 to 2006, he was also a director of coal explorer, ASX listed Northern Energy Corporation Ltd.

He is presently a non executive director of ASX and AIM listed Leyshon Resources Limited.

PAUL CRAWFORD CPA, B.Bus-Acc,
MFM, Grad. Dip. Bus. Law.

Non-Executive Director & Company Secretary

Mr. Crawford is an accountant with 29 years of commercial experience, including 27 years in various technical and management roles within the minerals, coal and petroleum industries. He has also had significant corporate experience in the management and governance of ASX listed resource and mining companies. His roles have also encompassed capital raising and investor relations.

Mr. Crawford is the principal of a corporate consultancy firm he established in 2001, offering a range of commercial and corporate governance services to corporate clients. Prior to this he was employed for 11 years in a number of commercial and management positions with the QCT Resources Limited Group of Companies, which held large mining interests.

Mr. Crawford was a founding director of Oroplata Limited, which acquired the highly prospective Cerro Negro Epithermal Gold Project from MIM Holdings Ltd and was subsequently merged with Andean Resources Limited. He was a founding director of ASX listed DiamonEx Limited which recently completed a A\$20,000,000 funding package for the development of its diamond mine in Botswana.

Mr Crawford is currently an executive director of ASX listed DiamonEx Limited and a non-executive director of ActivEX Limited.

DAN O'NEILL B.Sc.

Non-Executive Director

Mr. O'Neill graduated with a Bachelor of Science in Geology from the University of Western Australia. Since graduating, Mr. O'Neill has held positions with a number of Australian and multinational exploration companies and, has managed exploration programs in a diverse range of environments and locations, including North America, South-East Asia, North Africa and Australasia.

Mr. O'Neill has worked for a number of Companies including: Amax Iron Ore Corporation, Griffin Coal Group/North West Mining NL., Marathon Petroleum Australia Ltd., New Hope Corporation and Pan Australian Mining, on a range of commodities including gold, base metals, coal, and oil and gas.

From 1987 to 1996 he was the General Manager and a director from 1989 to 1996 of Bruce Resources NL, now Pan Australian Resources NL. He is a founding Director and presently Managing Director of ASX listed DiamonEx Limited.

JACK TAN M. App.Fin., FIN, MAICD

Non-Executive Director

Mr. Tan graduated with Bachelor of Business Administration from the University of Singapore. He is a director of his own investment company, Coin Equities Pty Ltd. He has had more than 20 years experience in finance roles in finance and stockbroking industry. Until recently he was a non-executive director of Rocklands Richfield Ltd which is a coal exploration company in the Bowen Basin, Queensland. He is also a non-executive director of Health Corporation Ltd which is a health pharmacy franchising company. Jack is also a non-executive director and company secretary of e-pay Asia Limited which is a leading prepaid mobile phone company based in Malaysia with business in South-East Asian countries.

Jack Tan is currently a director of e-pay Asia Limited and Health Corporation Limited both of which are listed on the ASX.

ARGENTINEAN MANAGEMENT

ROLANDO GRAMAGE

Exploration Manager

Based in Mendoza, Mr. Gramage is a qualified geologist with post graduate work in oilfield reservoir studies. He has some 25 years professional experience, which included positions within the National Lead Company (operating mine), YPF - the state owned oil company (as Field Operations Supervisor) and later (from 1992) as project geologist for gold and base metal projects in Argentina undertaken by companies such as Degerston, Minera Andes, Pegasus, Tech-Cominco, Anglo Gold and Anglo-Copper. More recently he has worked as the Supervising Geologist for the Argentinean operations of Minera Triton (2003-04) and as an independent consultant.

His comprehensive knowledge of the geology of Argentina has enabled him to successfully research and generate some outstanding base-metal and gold-silver prospects.

CHARLES (CHUCK) ZIMMERMAN

Exploration Manager

Mr. Zimmerman graduated with a degree in geology from La Plata University in Argentina and has over 46 years professional experience. His work has taken him to Argentina, Fiji, Canada, USA, Bolivia, Papua-New Guinea, Australia and Chile. He has worked for many of the major mining companies of the world including Falconbridge (Canada), American Smelting and Refining (USA), Kennecott Copper (USA, Papua New-Guinea) and Alcoa (Australia) where he was Regional Exploration Manager. Commodities have included base-metals, precious metals and many others. More recently he has operated as an independent consulting geologist for companies operating in Australia and South America. During the period 2001-2005 he was the General Operations Manager for Admiralty Resources Limited in Argentina and was involved in the initiation, delineation and early development of the Rincon (Lithium) Salar project in Salta Province, Argentina.

Chuck is based in Salta (Argentina) and brings to the company a wealth of experience for the development of existing projects and the generation of possible future projects in South America generally.

4

RISK FACTORS

This section describes the areas the Company regards as potential risks associated with an investment in the Company. These risk factors may impact upon the future performance of the Company and while some of these risks may be mitigated through the use of contingency plans and safe guards, some of the risks are outside of the control of the Company and cannot be mitigated. Intending subscribers to the Offer should carefully consider the following risk factors in light of the whole of this Prospectus before applying for Shares. There can be no guarantee that the Company will achieve its stated objectives and that any forward looking statements will eventuate. An investment in the Company should be considered speculative.

General Risks

There are numerous widespread risks associated with investing in any form of business and with investing in the share market generally. The exploration and development of natural resources is a speculative activity that involves a high degree of risk.

Stock Market Risk

Intending subscribers and prospective investors should be aware that there are risks associated with investments in companies listed on ASX. The price of the securities of a publicly traded company can be highly volatile and the value of the Company's securities can be expected to fluctuate depending on various factors, and therefore the price of the Company's securities may trade below or above the offer price. This can particularly be the case with exploration companies.

Various factors that may affect the market price of the Company's securities include exploration results, changes in commodity prices, stock market sentiment, general economic

conditions, changes in government policies, investor perceptions, movements in interest rates and stock markets, market conditions that affect the mining industry in Argentina and worldwide.

General Economic Conditions

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors that may contribute to that economic climate include the general level of economic activity, interest rates, inflation and other economic factors. The price of commodities and level of activity within the mining industry will also be of particular relevance to the Company.

The Company's performance may be influenced by changes in inflation, interest rates, exchange rates, business cycles and taxation.

Domestic Economic Conditions

It is possible that a general downturn in the Australian economy will affect the performance of the Company and as such the market value of securities in the Company. Alterations in government fiscal, monetary and regulatory policies, and changes in interest rates may affect the performance of the Company.

Ongoing Financial Requirements

The Company anticipates that its existing resources, together with the net proceeds of the Offer will enable it to carry out its planned operations. However further funding, either debt, equity or a combination of both may be required for the ongoing development of the Company's other projects.

However, the Company's future financial

requirements will depend upon various factors including the performance of the mining operation, fluctuations in the gold and currency markets, and general business conditions.

Should the Company need to raise additional funds there can be no assurance that additional funds would be available on a timely basis, on favourable terms or at all, or that such funds, if raised, would be sufficient to enable the Company to continue to implement its business strategy. If adequate funds are not available, the Company's business will be materially and adversely affected.

Government Policy and Legislative Changes

Capacity to explore and mine, as well as industry profitability generally, can be affected by changes in government policy that are beyond the control of the Company.

Changes in government regulations and policies, particularly in Argentina, may adversely affect the financial performance of the Company.

Unforeseen Expenses

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

Commodity Price Risk

The Company's prospects and share price will be influenced by the price obtained from time to time for the commodities targeted in its exploration programs. Commodity prices fluctuate and are affected by factors including

the relationship between global supply and demand for minerals, forward selling by producers, the cost of production and general global economic conditions.

Commodity prices are also affected by the outlook for inflation, interest rates, currency exchange rates and supply and demand issues. These factors may have an adverse affect on the Company's exploration and any subsequent development and production activities, as well as its ability to fund its future activities.

Foreign Exchange

Since 2003 the AUD\$/US\$ has traded in a range from a low of around 55 cents to a high of close of around 90 cents. The Argentinean peso has also fluctuated against the \$US significantly varying from US\$1 = 3.37 pesos to US\$ = 2.74 pesos. Fluctuating exchange rate has a direct effect on operating costs, cashflows and profits expressed in AUD\$. The Company does not currently have any currency hedging in place.

Environmental Risks

The Company's operations and projects are subject to the environmental controls contained in the Mining Code and other applicable laws and regulations of the Argentina central and provincial governments regarding environmental hazards. Orocobre intends to conduct its activities in an environmentally responsible manner, in accordance with applicable laws and regulations.

Specific Risks

Intending subscribers should be aware that an investment in the Company involves many risks which may be higher than the risks associated with an investment in other companies. The specific risk factors that should be taken into account in assessing the Company's activities and investment in the Company include but are not limited to the following:

Exploration and Operational Risks

By its nature, the business of exploration is a speculative endeavour and involves significant risks. Prosperity depends on the successful exploration and/or acquisition of resources or reserves, competent operational management, and efficient financial management. Further, the nature of the business of exploration, can

sometimes result in industrial accidents and other incidents beyond the control of the Company.

There can be no assurances that the proposed project exploration programmes described in this Prospectus, or any other projects or tenements that the Company may acquire in the future, will result in the discovery of a significant ore deposit. Even if a significant ore deposit is identified, there can be no guarantee that it can be economically exploited.

Ultimate success depends on the discovery and delineation of economically recoverable mineral resources, establishment of an efficient exploratory operation, obtaining necessary titles and access and government and other regulatory approvals. The exploration activities of the Company may be affected by a number of factors including, but not limited to, geological conditions, seasonal weather patterns, technical difficulties and failures, continued availability of the necessary technical equipment and appropriately skilled and experienced technicians, adverse changes in government policy or legislation and access to the required level of exploration funding.

Resource Targets

The geological characteristics of the Company's copper, lithium and base metal targets at the various locations covered by the Tenements appear to have similar characteristics to locations where established exploration and mining operations are being successfully conducted. Similarity of geological characteristics is not determinative of any similarity in actual mineral resources. Whilst those characteristics may encourage explorers like the Company to commit expenditure to drilling programs, it must be appreciated that a substantial and real risk still exists that no viable resource will be identified. As such, it is important that geological similarities be appreciated in the context that they only provide an indication rather than any determinative evidence of any viable outcome.

Operating in Argentina

The Company's key assets are its interests in mining tenements in Argentina.

Changes in Argentine laws and regulations will have a significant effect on the Company's exploration operations, especially changes to

environmental, mining, grant or renewal of concessions and taxation.

Generally the political conditions under which the Company currently operates are stable compared to many areas of the world, but arguably not as stable as Australia. Potential risk to the Company's activities may occur if there are changes to the political, legal and fiscal systems which might affect the ownership and operation of the Company's interests. This may also include changes in exchange control regulations, expropriation of mining rights, changes in government and in legislative and regulatory regimes.

Five out of the twenty-three provincial governments have introduced legislation over the past five years that, to varying degrees, restricts metalliferous mining or processing activities. Most recently the La Pampa province, in which the Company has two exploration projects, enacted legislation which prohibits open cut metalliferous mining and prohibits the use of several chemicals including cyanide in the extraction of minerals. The Company's projects in La Pampa are at very early stage and on-going exploration works will not be affected by these laws. However, the laws in their current form will impact on any mine development should a potentially economic discovery be made on these projects.

Enforcement of Contractual Rights

The Company's interests in the Tenements in Argentina are contractual. Whilst the Company and its advisors are satisfied that the relevant agreements are both standard and enforceable in the normal course of business, there is a risk that the parties to the agreements may be unwilling or unable to comply with the terms of the contracts. There are no certainties that the Company will be able to obtain adequate damages or specific performance in the case of such default and this may have a material impact on the value of the Company and its shares.

Tenement Interests

Although they are at an advanced stage of the application process, a number of the Tenements are yet to be formally registered. While the Company is not aware of any impediments, there is no certainty that they will be granted.

For personal use only

Hazards

The Company, as an active participant in exploration programmes, may become subject to liability for hazards that cannot be insured against or against which it may elect not to be insured because of high premium costs. The Company may incur a liability to third parties (in excess of its insurance cover) arising from pollution, environmental damage or other damage or injury.

Contractors

The Company is dependant on contractors and suppliers to supply vital services to its operations. The Company is therefore exposed to the possibility of adverse developments in the business environments of its contractors and suppliers. Any disruption to services or supply may have an adverse effect on the financial performance of the mining operation.

Reliance on Key Personnel

In formulating its exploration programs, the Company relies to a significant extent upon the experience and expertise of the Executive Directors and Argentinean management described in Section 3.

These persons possess knowledge of many of the Company's tenements through extensive personal experience of prospecting in those areas.

Although information concerning the Company's tenements has been chronicled, the loss of one or more of these key personnel may adversely affect the Company's prospects of pursuing its exploration programs within the timeframes and within the cost structure as currently envisaged.

Although the Key Personnel have a considerable amount of experience and have previously been successful in their pursuits of important prospecting discoveries, there is no guarantee or assurance that they will be successful in their objectives set out in this Prospectus.

Employees

The ability of the Company to achieve its objectives depends on being able to retain certain key employees, skilled operators and tradespeople. Whilst the Company has entered

into employment contracts with key employees, the retention of their services cannot be guaranteed. The loss of key employees or skilled operators and tradespeople could significantly affect the performance of the Company's operations.

Tenements

A failure to adhere to the expenditure requirements identified in Section 7 of this Prospectus will, unless an exemption is granted, make one or more of the Tenements subject to possible forfeiture.

The Directors' experience is that tenements have previously been renewed in Argentina notwithstanding full expenditure requirements not having been met, on the basis that further expenditure will occur.

Some of the tenements as detailed in Section 7 of the Prospectus have not been granted. The Company cannot guarantee that government processes and other issues will not impact upon the successful or timely granting of pending applications.

Dividends Policy

The Company has not declared a dividend for the year ending 30 June 2007 and does not intend to pay dividends for the year ending 30 June 2008. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of profit, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances in relation to the payment of dividends, or the franking credits attached to such dividends, can be given.

5

INDEPENDENT GEOLOGIST'S REPORT

MINNELEX PTY. LTD. GEOLOGICAL CONSULTING SERVICES & VALUATIONS

283 Huntingdale St
Pullenvale Qld 4069
r_pyper@esat.net.au
Ph/Fax: 07-33742443

12 October 2007

The Directors
Orocobre Limited
GPO Box 3233
Brisbane Qld 4001

ABN 99096513276

Dear Sirs

INDEPENDENT GEOLOGICAL REPORT ON THE EXPLORATION TENEMENTS OF BOWEN OROCOBRE LIMITED

This Report has been prepared at the request of the Directors of Orocobre Limited (Orocobre) to prepare an Independent Geological Report relating to the mineral exploration interests of Orocobre for inclusion in a Prospectus prepared by Orocobre relating to the issue of up to 25 million ordinary shares at 25 cents per share to raise up to \$6,250,000. This report provides an independent geological appraisal and review of the exploration properties. The Report has been prepared in accordance with the relevant requirements of the Valmin Code and the Australian Institute of Mining and Metallurgy.

Tenement Summary

The exploration interests described in this report are as listed below. Orocobre has the right to a 100% interest in these tenements by making certain payments as set out elsewhere in this prospectus.

Tenement	Area (hectares)	Style of Mineralisation	Mineralisation
Santa Domingo	12,050	Porphyry	Cu, Au, Mo
Pampa 7, Payana	36,567	Possible iron oxide style	Ag, Zn, Pb, Cu, Au
Pampa 8	22,848	Possible diorite related mesothermal	Cu, Au, Mo
Olaroz Salar	7,600	Salt lake	Li, KCl, I, Borate

The locations of the tenement boundaries as defined are shown in the project maps accompanying this report.

The report has been prepared by R C Pyper, BSc. FAusIMM, GAICD. Consultant Geologist.

The information used to prepare the report is drawn from reports and plans prepared by Orocobre's consultants and exploration reports. We do not doubt the authenticity or substance of investigative reports and we have not carried out a total audit of the available information. No field visit was undertaken.

This report is prepared in accordance with the relevant requirements and listing rules of the Australian Stock Exchange Limited, the Valmin Code of the Australasian Institute of Mining & Metallurgy and the Australian Securities Investment Commission [ASIC] Note 42. The Valmin Code sets out the principles and matters, which should be taken into account in preparation of an expert report concerned with mining assets. Practice Note 42 provides guidance to ensure that the expert report is independent of the commissioning party and that the assessments contained within the report is in accordance with professional standards.

Yours faithfully



R.C.W. Pyper
BSc; FAusIMM; GAICD
Principal. Minnelex Pty Ltd

For personal use only

MINNELEX PTY. LTD.

Introduction

Orocobre has interests in a portfolio of exploration properties in Argentina through option to purchase arrangements. The tenements cover three prospective copper/gold silver projects and a lithium salt lake project in Argentina. The locations are shown in Figure 1. In addition, the Company holds an exploration license application in Laos.

The focus of activities in Argentina is due to its attractive mineral endowment in the commodities sought and the relative under-explored nature of the country. In 1989, fewer than a dozen foreign exploration companies had offices in Argentina. Currently, the number of foreign exploration companies probably exceeds 100. As a result of this interest a number of substantial gold and base metal deposits have been developed within the last few years.

The gold and base metal mineral potential of Argentina can be divided into 4 main regions:

- The Puna region of the higher Andes for large copper, gold, silver, tin, lead and zinc deposits.
- The centre for gold, porphyry copper, nickel-platinum and manganese.
- The central Cordillera and Precordillera for porphyry copper and gold.
- Patagonia, for epithermal gold and silver deposits and polymetallic lead-zinc deposits.

Copper and gold mineralisation occurs predominantly in the southern Andean belt that extends over 1,000 km through north-western Argentina but this has now been extended to include the newly discovered Santa Cruz gold belt in southern Patagonia. Recently, the country's gold production has increased substantially due to several new projects that have come on stream.

Principal new deposits include:

- The **Bajo de la Alumbra** copper/gold mining operation in the Catamarca Province. This is ranked as one of the world's largest porphyry orebodies. Production began in 1998 with resources of 806 million tonnes (Mt) at 0.51% copper (Cu) and 0.64 g/t gold (Au).

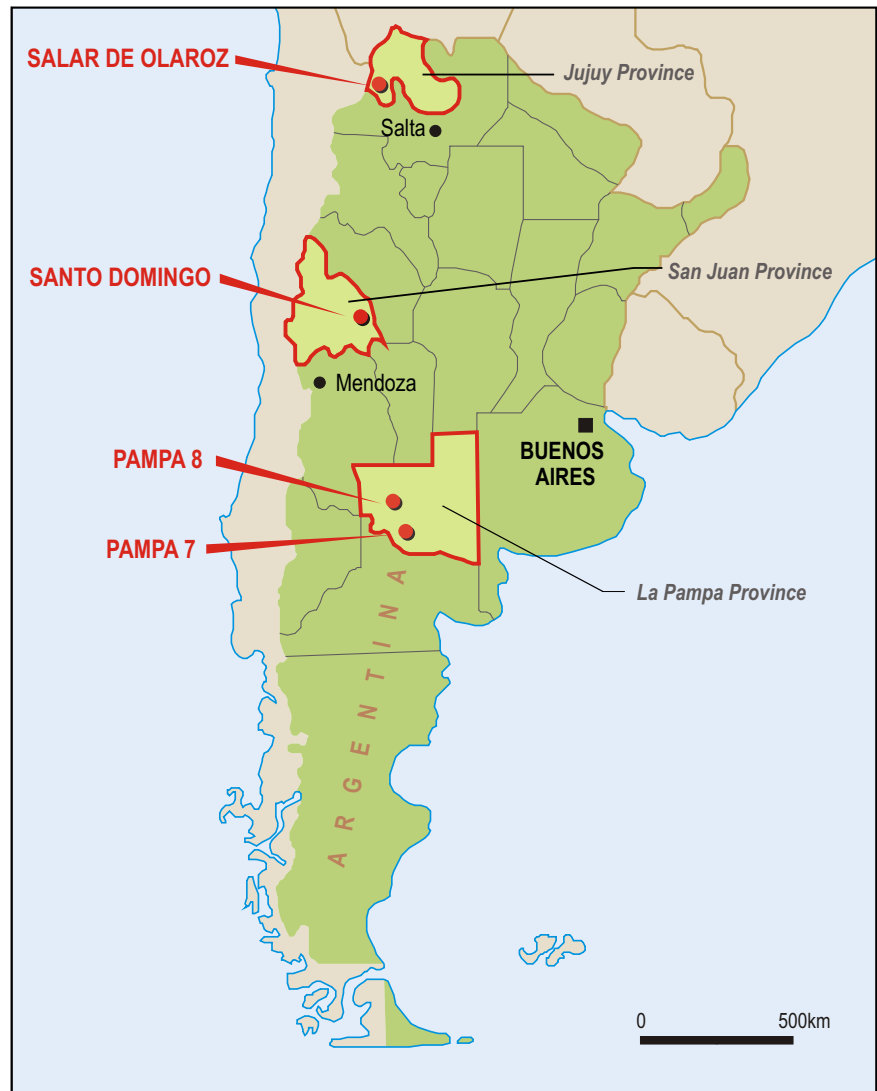


Figure 1: General location of Argentinian projects.

- The **Veladero** gold deposits, which straddle the Chile-Argentina border, has proven and probable reserves of 262 Mt containing 14 M ounces (oz) gold and 440 Moz silver (Ag).
- The **Esquel** Project located in Southern Argentina; a high grade gold deposit with resources totalling 3.8 Moz gold and 7 Moz silver.
- The **Cerro Vanguardia** epithermal gold and silver deposit situated in Santa Cruz. Proven reserves are estimated at 4 Mt grading at 8.7 g/t gold (1.1 Moz gold).
- The **Martha Mine**, located in Santa Cruz Province in southern Argentina. In 2006, the mine produced approximately 2.7 Moz of silver and more than 3,000 oz of gold averaging approximately 60 oz silver per ton from intermediate sulfidation, epithermal quartz and quartz adularia veins and veinlets and breccias.
- The **Cerro Negro** epithermal gold and silver deposit in Santa Cruz (currently a resource of 0.75Moz) where recent bonanza grade results are shaping it up to be a much larger deposit.

MINNELEX PTY. LTD.



The **Olaroz Salar** project covers a salar (salt lake) known to contain high values of lithium in brine and that compares favourably with other possible brine sources of lithium. Indicative lithium grades are relatively high at 0.09%. The amount of lithium available is considerable, probably well above 0.5 Mt.

At its **Santa Domingo** tenement, preliminary exploration suggests a porphyry style copper, gold and molybdenum environment as indicated by extensive high-sulphidation alteration and mineralisation. Copper staining is common and rock chip samples of nearby non-copper stained rocks have assayed up to 4.64 g/t gold. The exploration target suggested by the extensive mineralisation is in the order of 500 million tonnes.

At **Pampa 7**, previous work defined several mineralised structural corridors, some 100m wide, containing siliceous and jasperoidal veins and veinlets containing magnetite and barite that have returned rock chip silver values from 3 to 270 oz/t. Gold is present and zinc values are anomalous over extensive areas. Mineralisation is suggestive of either a low level epithermal system or alternatively an IOCG - iron oxide, copper-gold style (Olympic Dam-Ernest Henry) type with the possibility of defining a large area of mineralisation.

At **Pampa 8**, a body of quartzite extending for 8 km carries disseminated copper-iron-molybdenum mineralisation. At the southern margin rock chip assays ranging up to 4.5 g/t gold and 9% copper were located. Airborne magnetics show a possible extensions of the quartzite for 12 km to the northwest and one of two RC drill holes to test IP anomalies suggested a highly magnetic source extending northeasterly from the quartzite was a diorite body and the probable source of the copper. On present indications, the mineralisation is suggestive of IOCG style. A group of loosely related deposits fall within this category, some of which are very large e.g. Candelaria in Chile (470 Mt x 0.95% Cu) and Olympic Dam in Australia, (originally in excess of 600 Mt at 1.8% Cu, 0.5 kg/t uranium oxide (U₃O₈), 0.5 g/t Au).

- The **Agua Rica** porphyry copper gold deposit in the Catamarca Province, similar in size to Alumbraera, with proven and probable reserves estimated at 681 Mt averaging 0.25 g/t Au and 0.6% Cu.
- The **El Pachon** copper project located west of San Juan, near the border with Chile with reserves of 880 Mt grading at 0.6%Cu, 0.015% molybdenum (Mo), 0.2 g/t Au and 2.4 g/t Ag.
- The **Rincon Salar** with proven and probable reserves of 1.4 million tonnes of lithium and 51 million tonnes of potash.

•The high Andean plateau in the North of the country hosts significant concentrations of silver as well lead and zinc. To the west, **Valle del Cura** constitutes one of the most important gold and silver districts in the world (with resources of over 40 Moz gold and 1,000 Moz silver). It includes two mega gold and silver deposits namely **Veladero** and **Pascua Lama**.

Northwest Argentina hosts several lead and zinc deposits, with the **Mina Aguilar** mine operated by Bolivia's Comsur being an example, which produces 75,000 tons of zinc concentrate and 20,000 tons of lead and silver concentrate annually.

Orocobre has taken up ground in the Puna region, Central Cordillera and northern Patagonia. (Figure 1).

For personal use only

PROJECT AREAS

OLARAZ SALAR PROJECT (Lithium)

Introduction

Between 1969-74, the Geological Institute of Chile studied the brine potential of the general La Puna region and in 1977, Dr P Hazderiga of the UN, reviewed eight of the brine deposits in the La Puna Region, Salta Province of Argentina. He concluded that they had an economic future.

The economic potential of the Andean salt lakes began to change when production commenced at the Salar del Hombre Muerto project (Argentina) in the early 1990s. Four large operators are now producing metals and chemical products in the immediate region, these are:

- SQM, PCS Yumbes and Chemetall Foote at Atacama, which are located in Chile. SQM produces potash from its Minsal operations and is rapidly penetrating the global lithium (Li) carbonate market.
- FMC Minera del Altiplano S.A. at the Salar de Hombre Muerto in Argentina. FMC operates a highly automated plant treating lithium, potash and borate rich brines, typically with 600 ppm Li.

At all these operations, global producers of potash, lithium and/or magnesium have either a substantial or a controlling interest in the mines.

The world's largest producer of lithium salts is the Chemical and Mining Co. of Chile Inc. (SQM), which has operations on salt lakes in northern Chile - just across the border from Salar Olaroz, with a yearly production of about 6,600t of lithium metal equivalent (about 30% of world production) The company is capitalized at over US\$1.3 billion. It also produces sodium and potassium salts and iodine.

At the nearby Salar del Rincon, held by Admiralty Resources Limited, (a similar geological model to Olaroz Salar), chemically

enriched solutions from meteoric water percolating through nearby volcanic rocks and from hydrothermal solutions seeping from thermal springs around the lake margins have been concentrated by very high evaporation rates.

The brine lies within a sponge-like mass partly salt, partly hyper-saline brine in dynamic crystallisation and dissolution within a solid matrix that is mainly sodium chloride. Original calculations of available lithium and potash were based on an effective porosity of the sponge of 8%, however recent drilling has shown that the central portion of the evaporitic body has a much higher effective porosity, increasing the average effective porosity to 38%, thus upgrading the resource by a factor of five.

The recoverable proven and probable reserves at Admiralty's Rincon project are now estimated at:

1.4 million tonnes of lithium and 51 million tonnes of potash and with a reported value of \$US44.7 billion.

Infrastructure and Tenements

The Olaroz Salar lithium (Li) Project of Orocobre is located in the Puna region of Jujuy, approximately 230 km northwest of the capital city of Jujuy at an altitude of 3800m above sea level. Infrastructure is good. Olaroz is located adjacent to the totally paved Highway 16, which connects to the international border (Jama) with Chile about 40 km to the west and there are two natural gas pipelines close to the Salar. Manpower can be obtained from the town of Susques, (population 1500) about 40 km away and there is substantial water available within 10-15 km. There are four 'cateos' at Olaroz, (equivalent to Exploration Permits or Licences in Australia), 258.R.2004, 257.R.2004, 391.R.2005 and 390.R.2005, covering an area of 7,600 hectares (76 sq km). The general location of the project is shown in Figure 2, while Figure 3 is a satellite image with an overlay of the tenement boundaries and location of roads.

Geochemistry

The inflow from thermal springs plus the minor additional rainfall, supply the salt lakes which are probably in dynamic equilibrium with evaporation. The crystalline halite facies is in equilibrium with respect to the remaining interstitial potassium, magnesium and lithium brine. The lithium content (weight %) of the brines in the salar compare very favourably with other possible brine sources, such as the Rincon Salar. Indicative lithium grades at Olaroz are 0.09% compared to Rincon's 0.037% sampled during the same programme.

Regional Setting

Continental saline deposits in the central Andes cover an enormous area of predominantly interior drainage that includes the Atacama Desert of northern Chile and the Puna de Atacama-Altiplano plateau, extending through Bolivia, Argentina and Chile. Within the Puna in Argentina, at an elevation of 3500 to 3800m, are numerous basins filled by evaporates and clastic sediments. The volcanic chain which developed during the quaternary age provided massive ionic flow to the basins and, consequently, huge volumes of salts of high sodium and chloride contents were deposited on the existing areas, with high concentrations of sodium (Na) potassium (K) and lithium (Li). Currently Salar de Hombre Muerto in Catamarca., is the only producer of lithium chloride and lithium carbonate in Argentina.

Mining and Exploration History

In around 1977, a program designed to test for Lithium content was carried out at Olaroz by Fabricaciones Militares (FM) a government instrumentality. Sampling of the surface salts returned lithium values significantly higher than the general average of 100 to 300 ppm, with values of 900 ppm (0.09g/litre) obtained from the brines and a low Mg of 8000 ppm (0.18 g/litre). The thickness of the salt and borate crust is up to 1.2m; below this, the brines have variable concentration of Li-K-Bo ranging from 0.03 to 0.09 g/litre, with low Mg. Currently small miners are mining borates (ulexite) on the eastern side of the Salar but should pose no problem for a potential adjacent lithium operation.

MINNELEX PTY. LTD.

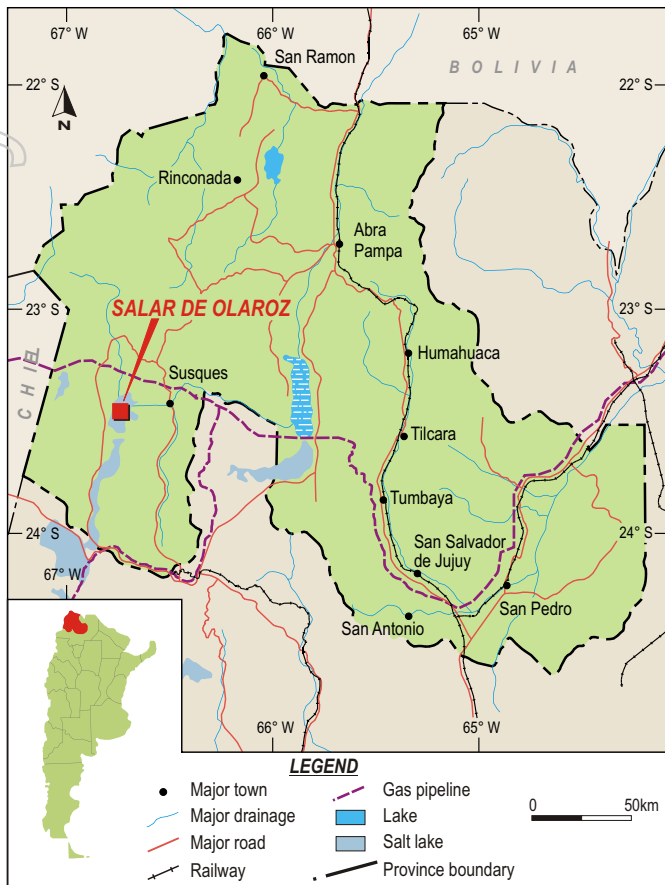


Figure 2: Salar Olaroz Project - General location, Jujuy Province.

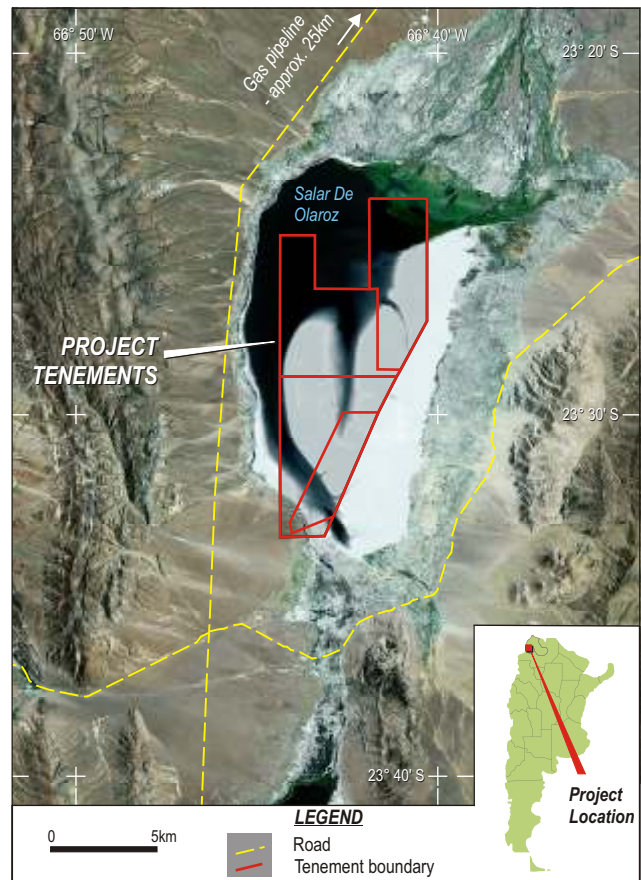


Figure 3: Salar Olaroz Project - Tenements and infrastructure.

Exploitation

Exploitation requires a detailed understanding of brine chemistry and porosity/permeability over the deposit. This is obtained by drilling, sampling of the brines and pumping tests together with associated processing testwork. If viable, the deposit would be mined by pumping out the dissolved lithium in the brine pores, provided there is adequate effective porosity and permeability to allow pumping, from a depth of up to 60m. The effective porosity has been assumed to be 8-10% at this stage. The brines would be processed on site to produce final or intermediate products. A modest plant could have a design capacity of 10 million kilograms of Lithium chloride-Lithium carbonate per year.

Modern plants, which use chemical additives and electrical power to extract elements such as lithium and magnesium, not obtainable through simple precipitation and solution, are now operating in many locations with similar climates. Some of the products cannot form

directly from the brine and need additional processing eg:

- KNO_3 is derived by the addition of Chilean nitrates or synthetic ammonia.
- Li_2CO_3 is precipitated by the addition of sodium carbonate.
- Nevada brines are treated with soda ash, precipitating lithium carbonate.
- FMC Corp using proprietary technology with their Argentine brine operation to extract lithium from the bittern with $FeCl_3$, with further solvent extraction and stripping during purification.

Deposit Size and Brine Recovery

In comparison with similar deposits, Olaroz has a low Mg/Li ratio of 2:1, which is about the same as Salar de Hombre Muerto (FM Catamarca). A high Mg/Li ratio introduces a problem in obtaining purity of the Lithium chloride concentrate. Olaroz is well set up to compete on the market with better infrastructure than Hombre Muerto (access and energy

supply) and less distance to a Chilean port and Asian markets. The minerals of economic interest are those of lithium, potassium, magnesium and boron. Within the Salar, ulexite -a boron mineral- is already being extracted by small miners. Borate tends to be on the margins of the lake deposits, associated with carbonates and fine sediments.

Mining of the brine follows the solar evaporation route using ponds to increase the overall grade.

Evaporation of the brine results in a vertical and lateral crystallisation sequence. This commences with carbonate as calcite and dolomite, and gypsum as sulphate. It is followed by halite (common salt) after the solution has been concentrated by a factor of 10 (in comparison to seawater). High potassium and magnesium salt deposition is rare as it is restricted to super-saline brines that have been concentrated by a factor of 70, i.e. down to 2% of the original water. Most of the lithium remains in the residual brine and can be

MINNELEX PTY. LTD.

precipitated out by the addition of trona (sodium carbonate).

Extreme aridity (<50 mm/year rainfall) and annual evaporation rate exceed 3000 mm/year and good reservoir flow should be ideal for large scale brine extraction. Hydrodynamic balance is desirable as the inflow of brine should sustain continuous pumping to the concentration plant.



Solutions flowing into freshly dug hole at Olaroz

Principal Products and Uses

Product	Data
Lithium (Li)	Lithium is the lightest of all metals and has similar qualities to magnesium. It is used in ceramics, glass and primary aluminium. It is of rapidly growing use in the communications industry, especially in batteries.
Potash (K)	A most important fertiliser with about 93% of world production used in the fertiliser industry.
Magnesium (Mg)	An ultra-light high strength metal that can be substituted for steel (80% lighter) and aluminium (30% lighter) and is of growing interest to the motor vehicle industry, especially in die casting.
Caesium (Cs)	Of similar value to gold at present with production restricted to a few tonnes per year; commonly used in photoelectric cell technology. Demand is restricted by price.
Boron (B)	Semi metallic, ultra light element. Used in agriculture, medicine and with a growing market in vitreous synthetic composite materials.
Bromine (Br)	Used in fire retardants, the electronics industry and in agriculture. Its concentration at Olaroz is not known.

Budget

Exploration over the next two years on the Olaroz Project will include drilling, bulk sampling of solutions, mineral processing testwork and feasibility studies. Orocobre have budgeted between \$1,490,000 and \$1,730,000.

Prospectivity

- The tenement area is large (76 sq km). The potential brine target within the Olaroz tenements is based on published literature which indicates grades of 0.07 to 0.09 g/litre of lithium with a very attractive magnesium ratio, giving the deposit a close similarity to Hombre Muerto but with better infrastructure.
- In addition to lithium the brine may also be capable of supplying potash, boron, caesium, magnesium and bromine.
- Using a 10% porosity, a specific gravity of 1.2, depth of 40m, and a lithium concentration of 0.09% indicates a lithium

exploration target in excess of 325,000t lithium. This equates to over 1.7 Mt of lithium carbonate. At US\$6,000 a tonne this represents a very significant project. Recent drilling and pumping testwork at Rincon has shown that previous assumptions of porosity may be greatly understated, possibly increasing the exploration target by a factor of three or four.

- A number of salt lake deposits have been developed into major suppliers of high value products. These deposits share two common factors: high evaporative regimes and good infrastructure. Salar del Olaroz is ideally located with respect to these factors.
- The processing of the various metal salts into saleable products is now a well established industry but it is still evolving, especially for magnesium. Some of the required production technologies are available under licence to potential new producers; others however may be restricted to joint ventures.

- The close proximity of Salar Olaroz to the Chilean border will allow Orocobre to obtain the benefit of the Argentina-Chile Integration Mining Treaty, which confers better access for mining equipment, personnel and less complicated access to coastal ports.
- The consumption and demand for lithium has seen a spectacular rise in the last few years with the increasing use of lithium-ion batteries, from rechargeable units in mobile phones and camcorders etc., to large versions used in hybrid automobiles. Lithium compounds are also utilized in more traditional ways. such as glass and ceramics, aluminium smelting, and as a feedstock for numerous chemical and metal alloy industries. This market is also expanding.
- Over recent years the price for lithium salts has steadily increased. In 2000, the average price gained for lithium carbonate was around US\$4,400 per tonne, and this has been steadily increasing to a current price in the order of US\$6,000 per tonne.

For personal use only

MINNELEX PTY. LTD.

SANTO DOMINGO PROJECT (Copper, Gold, Moly)

Introduction

The project area comprises seven contiguous exploration tenements (cateos) totalling 12,050 hectares (ha) and located in the Sierra de Chucuma in San Juan Province (Figure 4). This is a mountain range of modest altitudes (some 1,200 metres at the project area) and although the area is remote from habitation there is a sealed road only 20 km to the east. The regional city of San Juan is located approximately 1 hours drive away from where the access meets the sealed road.

Some mapping and other geological work in the general area was undertaken by Government Geologists in the early 1980s. More recently R. Gramage has undertaken mapping, geochemical surveys, rock chip sampling and thin section petrological work on his own behalf, and since 2007, on behalf of Orocobre Limited.

Previous work located a number of areas of interest for porphyry style mineralisation centered on an apparently circular area of stronger alteration about 4 km in diameter with silicified and pyritic volcanics associated with elevated copper, molybdenum and some anomalous gold values. The presence of alunite, kaolinite, strong silicification and banded quartz have been interpreted as evidence for the upper levels of the mineralising system. To the north, two other target areas of similar size and several smaller areas have yielded anomalous results indicating a possibly very large exploration target.

Recent field work has verified extensions of the known mineralized porphyry zone (El Arriero) to the North (Tres Amigos). This is possibly a new body, smaller than the first one, but more pyritic and with less chalcopyrite. Outcrop of the porphyry rocks in a few places allowed the propylitic zone to be seen. Also a structural belt some 200 - 300m wide and more than 1000m long could be observed. This zone shows visible copper mineralization in silicified acid rocks. The belt appears to be faulted off from the "El Arriero" porphyry zone and has moderate epithermal characteristics.

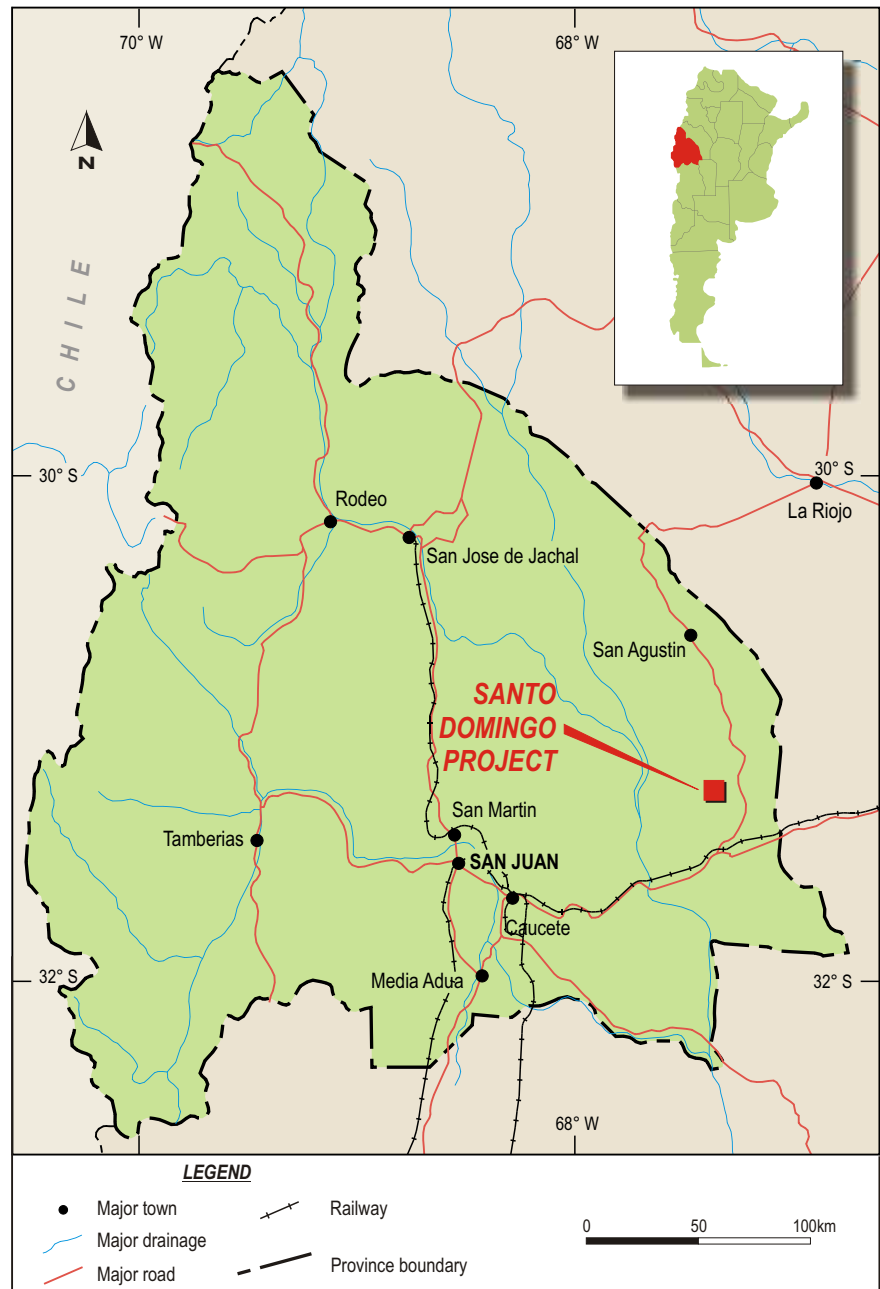


Figure 4: Location of Santo Domingo Project in San Juan Province.

Geology and Mineralisation

The project area covers a new porphyry discovery area prospective for copper, gold and molybdenum as indicated by extensive high-sulphidation alteration and mineralisation. Copper staining is common and rock chip samples of nearby non-copper stained rocks have assayed up to 0.54 g/t Au. In the northwest of the main anomaly three of four rock chips taken in a stream sediment survey returned high values of 0.34, 0.54 and 4.64 g/t Au, the latter

with 0.56% Cu. Some rock chip samples also exhibit elevated Mo values the most notable of which was 964 ppm from a sample located to the east of the main alteration zone (see Figure 6). The target suggested by such mineralisation is in the order of 500 Mt.

Regionally the project is located in the Sierra de la Huerta and its northern extension (Sierra de Valle Fertil) which form part of the Sierras Pampeanas (Pampa Mountain chain). This geological belt is made up of Precambrian

MINNELEX PTY. LTD.

metamorphics and Palaeozoic intrusives and volcanics rhyolitic porphyries, granites, tonalites, dacitic and andesitic porphyries etc. The area has supported historic mining operations for lead and silver.

The local geology comprises hydrothermally altered granitic rocks that show evidence of copper mineralisation in places, amphibolites and altered dacitic porphyries that have been strongly pyritised and silicified. Areas of intense argillic alteration are noted along with copper stained rocks. At lower levels (outcrops in the creeks) various highly pyritic rocks with some chalcopyrite have been noted. In the general project vicinity there are a number of old, high grade, vein style, lead-silver mines. These were worked in a small way in the 1940s. One mine (The Marayes) was worked intermittently from 1860 to 1880.

Exploration has included geological mapping, rock sampling and stream sediment surveys, which have only covered a portion of the available ground. The work has located a number of areas of interest for porphyry style mineralisation with most of the work centered on an apparently circular area of stronger alteration about 4 km in diameter; a west-northwest structure passes through its northern end.

There is little exposure but outcrops are of silicified acid to intermediate extrusive volcanics. Potassic alteration is present in the centre associated with elevated copper and molybdenum values. On the western side of the anomaly, siliceous, pyritised and fractured rocks carry anomalous gold and copper values associated with vein and argillic alteration. Strong propylitic alteration in the west and north is also present. In the higher topographic exposures alunite, kaolinite, strong silicification and banded quartz have been interpreted as evidence for the upper levels of the system. To the north of the main mineralisation, two other target areas of similar size and several smaller areas have yielded anomalous results suggestive of a similar mineralising system but insufficient work has been completed to be definitive.

At the current stage of exploration a fairly large mineralising system or systems appears to be present however geophysical surveys and further geochemical sampling is required to better define drill targets. The stream sediment geochemistry together with mapping and rock

chip sampling has helped define the main Santo Domingo prospect area. The stream sediment surveys (although incomplete for the whole tenement area) have also defined some anomalous areas worthy of follow-up work. The highest gold grade from the rock chip sampling came from a sample located in the northwest of the prospect area (4.64 g/t Au). Elevated copper values are widespread with generally elevated assays of Au and Mo (up to 900 ppm) are common.

Figure 5 shows an interpreted ASTER satellite image with structural and spectral features of interest outlined. The main prospect area is to the south (sub-circular feature), but there are

other structural and spectral features of note which appear to suggest "porphyry mineralisation" affinities. These areas are considered prospective, but are yet to be examined in the field.

Figure 6 shows aspects of the geology with stream sediment and rock chip geochemical results. The area showing mineralisation and alteration extends in an arcuate zone some 3.5 km long and up to 1000m wide. There is a gap in the northern part of the arc which has yet to be investigated but if it exhibits similar prospective features it would add another 1000m to the strike length.

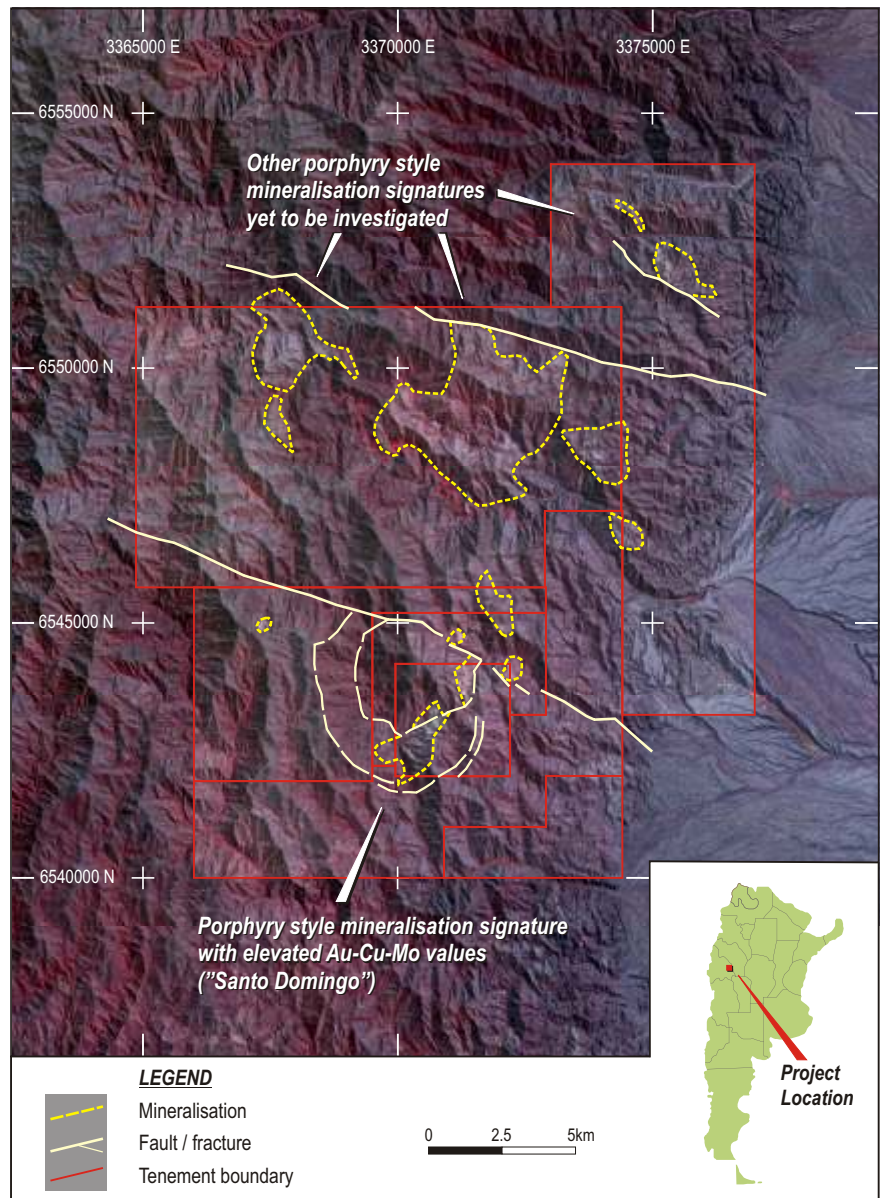


Figure 5: Santo Domingo Project - 'ASTER' satellite image with tenement boundaries and prospect areas.

For personal use only

MINNELEX PTY. LTD.

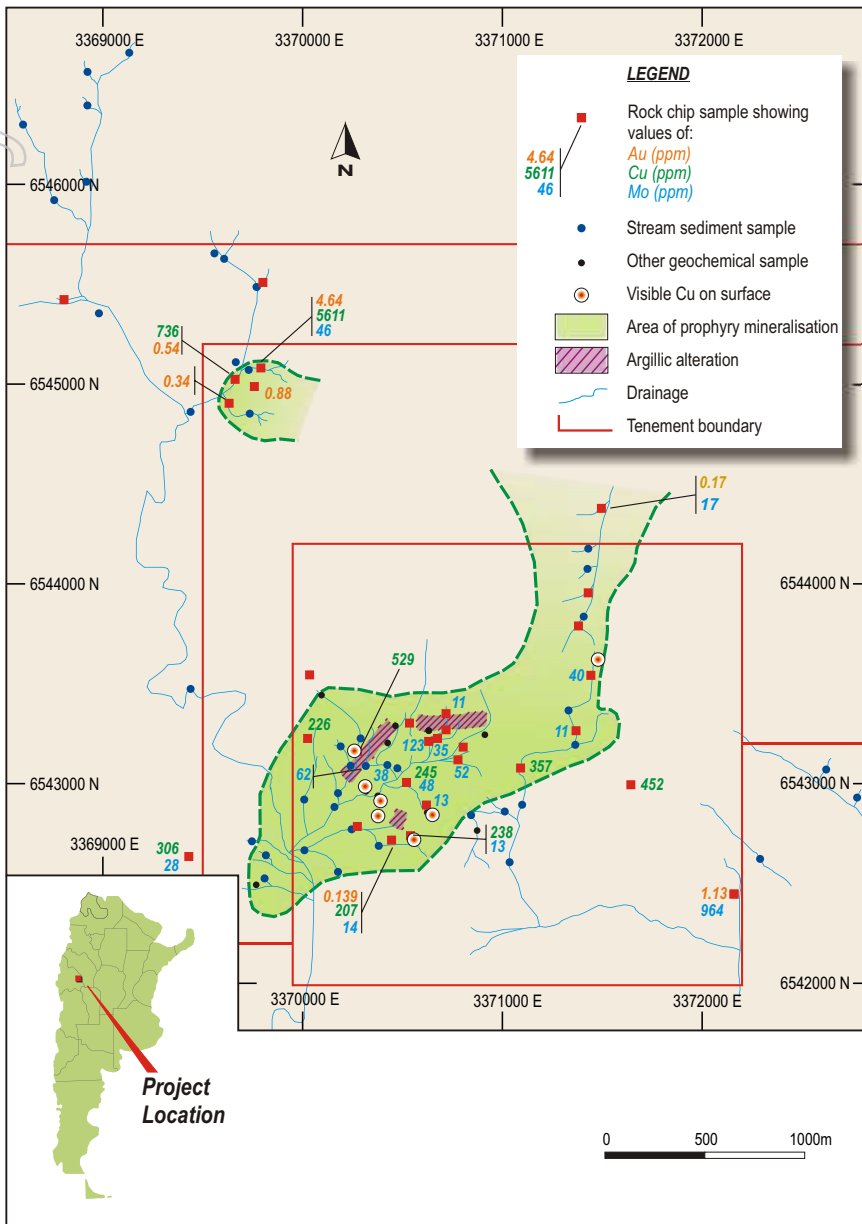


Figure 6: Santo Domingo Project - Geochemistry.

Figure 7 (photo) shows copper stained rocks in the foreground with extensive areas of argillic alteration, fracturing and brecciation in the background. The area is located in the middle-southern portion of the mineralized zone. As well as areas of intense argillic alteration there are zones exhibiting sericitisation, potassic alteration, pyritisation (with some chalcopyrite observed), silicification and propylitic alteration.

Budget

Exploration over the next two years on the Santa Domingo Project will include remote sensing, geochemical sampling and drilling. Orocobre have budgeted between \$850,000 and \$1,125,000.



Figure 7: Santo Domingo Project - Copper stained rocks in foreground and altered rocks in background.

Prospectivity

- The project area covers a new porphyry discovery area prospective for copper, gold and molybdenum. Several areas of interest for porphyry style mineralisation have been located with most of the work centered on a apparently circular area about 4 km in diameter.
- Rock chip samples of nearby non-copper stained rocks have assayed up to 0.54 g/t gold (Au). In the northwest of the main anomaly three of four rock chips taken in a stream sediment survey returned high gold values of 0.34, 0.54 and 4.64 g/t Au, the latter with 0.56% Cu. Elevated molybdenum values (to 964 ppm) also occur within the project area.
- The exploration target suggested by such mineralisation is in the order of 500 million tonnes.
- Recent exploration both on the ground and with the ASTER processing highlight the regional prospectivity of the area.

PAMPA 7 AND PAYANA PROJECTS
(Silver, Zinc, Lead, Copper, Gold)

Introduction

The Pampa 7 tenements (one Mina and eight Cateos) cover 26,087 hectares located in low country (300m elevation) in the southern part of La Pampa Province some 240 km southwest of the city of Santa Rosa where infrastructure and access are very good. Outcrop is scarce due to widespread caliche however geochemical sampling has defined a broad zinc high trending northerly for 3 km and up to 1.5 km wide within which there are extensive zones of anomalous silver values. The area of geochemical interest is associated with a magnetic high interpreted as due to a deep magnetic intrusive.

A small amount of RC and diamond drilling has returned encouraging zinc and silver values in association with some lead and gold. The mineralisation style has not yet been determined having some characteristics of both epithermal/mesothermal, porphyry and iron oxide copper-gold style (Olympic Dam-Ernest Henry type). Work to date has raised the possibility of defining a large area of mineralisation.

Also part of Pampa 7 is the Payana Prospect that lies some 60 km to the east of Pampa 7 and comprises two mining properties, Payana 1 and Payana II, of approximately 10,500 ha. It is believed to have similar prospectivity to Pampa 7. The general location and tenement outlines are shown in Figure 8.

Previous Work

North Argentina Compania Minera (North). Exploration by North includes: 100 surface rock chip samples; thin and polished section studies; a ground magnetic survey over 16 sq km; 800m of RC drilling and an environmental impact report for exploration activities. Their ground magnetics indicated NE and NW magnetic linears, several shallow magnetic highs and an interpreted deep magnetic body.

Rock chip samples gathered from outcrops and talus returned silver, zinc, lead, gold and copper anomalous values: Silver assays include 39 samples ranging in value from 100 to 8,425 ppm; six gold samples assayed from 1 to 2 g/t and anomalous zinc, varying from

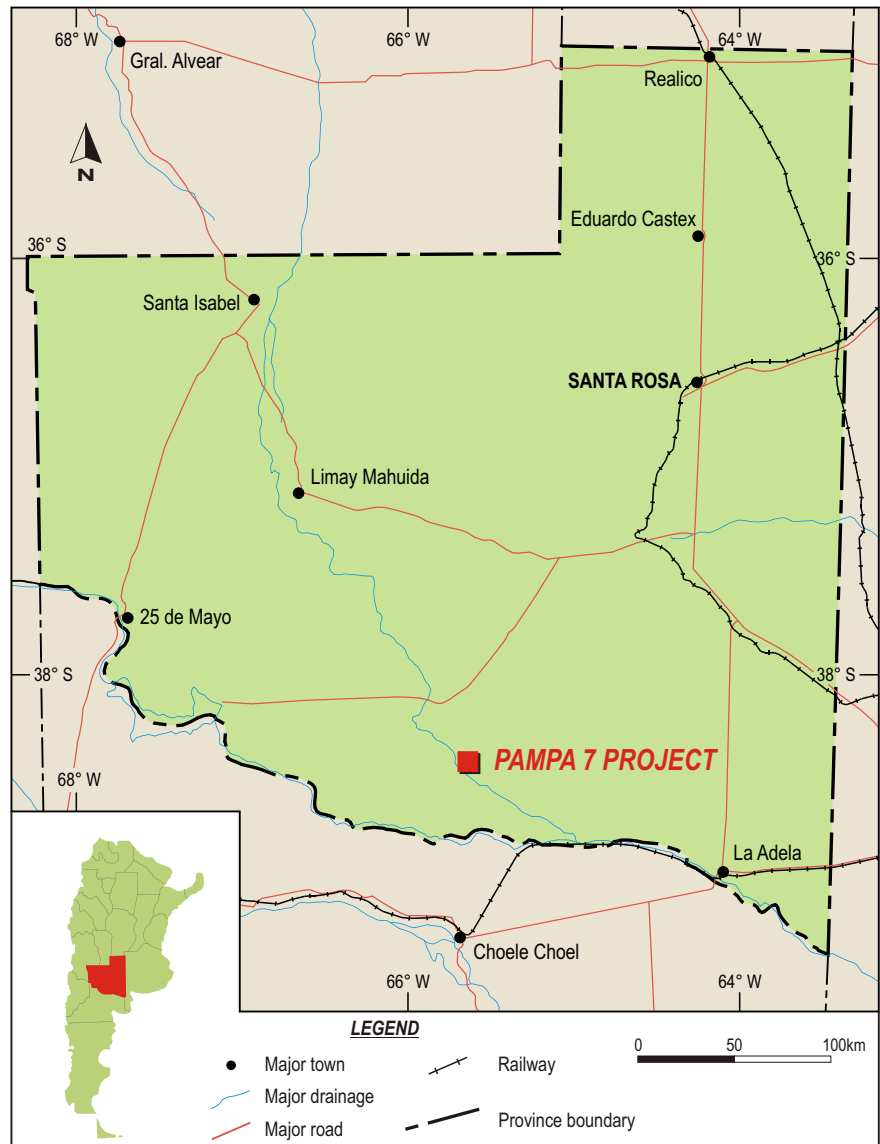


Figure 8: Location of Pampa 7 (& Payana) Projects - La Pampa Province.

1000-10,000 ppm. The values were widespread, however outcrop is scarce with an extensive caliche cover.

After drilling four RC holes and as result of a global re-organization, North abandoned exploration in Argentina in 1999 and negotiated the continuation of exploration activities with Canadian Mining Group S.A. (CMG).

Canadian Mining Group S.A. From October 1999 to late 2000, CMG completed 287m of diamond drilling, 358 short scout holes in a

regular grid for geochemical sampling, and field mapping and sampling on the most outstanding outcrops as well as regional reconnaissance.

In reviewing the work completed CMG concluded that:

- The initial work by North based on a iron - rich porphyry gold model was supported by the geophysical signature, the presence of potassic alteration and quartz magnetite veinlets, however the occurrence of weak

For personal use only

MINNELEX PTY. LTD.

Au-Cu-Mo anomalies and the predominance of Ag-Zn-Pb anomalies related with the presence of barite argued against it.

The CMG work based on a low-sulphidation system, was supported by the predominance of Ag-Zn-Pb anomalies over weak Au-Cu- Mo results. Ag-Zn-Pb anomalies strongly associated with barite were widespread and possible adularia associated with quartz was noted in one thin section. Against this model was the intimate association with magnetite, the potassic alteration, the character of the quartz (transparent) and the presence of actinolite, which might indicate a mesothermal regime.

Geology and Mineralisation

The Pampa 7 tenement lies in the southern portion of the San Rafael Block in a fairly flat, semi-arid and partially bushy region, which contains mostly rhyolitic volcanics of Permo-Triassic to Jurassic age with lesser Paleozoic basement (granites, diorites and schist). Exposure is poor due to a cover of caliche which makes rapid exploration difficult.

Strong regional northwest structures and conjugate northeast structures localize the gold, silver and polymetallic base metal mineralization. Alteration consists of widespread weak potassic alteration in the Permo-Triassic rhyodacite ash flow tuff. Secondary biotite has been altered to chlorite-magnetite-epidote and calcite by later propylitisation. Quartz veins are massive-textured, and contain either centres or selvages of magnetite plus lesser chlorite and manganese oxide. Barite is common, and copper oxides are occasionally seen.

Two main geological units are present: A grey-dark welded rhyolitic ignimbrite (ash flow tuff) and a pinkish rhyolite. Both are typical of the Choiyoi Group of Permo-Triassic age that is found in both Chile and Argentina.

North-trending veins, varying in width from 0.2-2.0m, cross-cut the dark rhyolite unit in two or three areas. The rock chip mineralization is in areas of multidirectional veinlets and a few north-south narrow quartz-magnetite veins and occasional barite. The ground magnetic survey indicated northeast and northwest-trending magnetic linears, several shallow magnetic highs and one deeper magnetic zone (Figure 9).

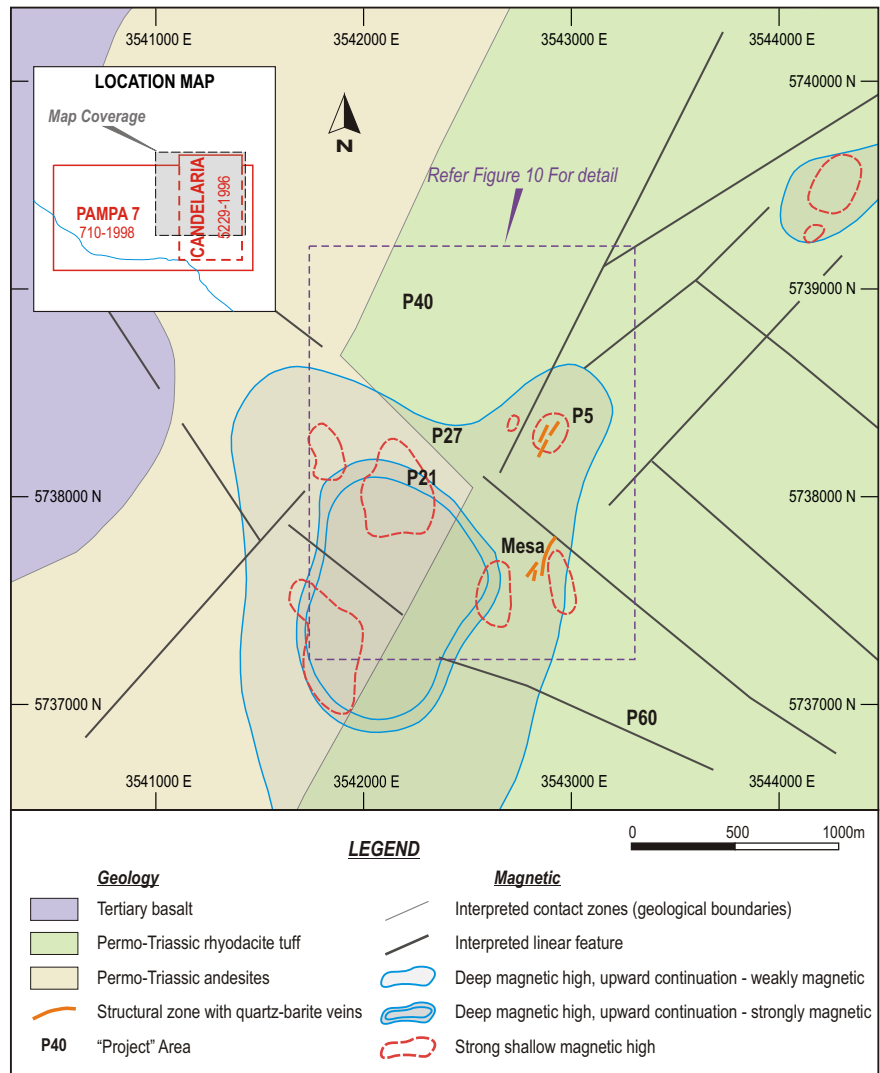


Figure 9: Pampa 7 Project - Geology, geophysics, central area.



Pampa 7 landscape

For personal use only

MINNELEX PTY. LTD.

Rock chip samples gathered from outcrops and talus returned strongly anomalous silver plus zinc, lead, gold and copper. Geochemical sampling of float was concentrated on rocks containing evidence of quartz, magnetite, barite or jasper as veins or stockworks. Anomalous lead and zinc is widespread in almost all of the rock samples, while the gold, silver and copper are more restricted to structures.

- Silver assays include 30 samples from 100-1,000 ppm; 6 results from 1,000-2,000 ppm, and two very high results of 6,880 and 8,425 ppm.
- Six gold samples assayed 1 to 2 g/t and were related to altered dome rocks (dacites - andesites), with advanced argillic alteration and the presence of alunite, jarosite and kaolinite.
- High zinc, varying from 1000-10,000 ppm was widespread. The surface silver-zinc mineralization is related with multi-directional veinlets and few north-south narrow veins of quartz, magnetite, and occasionally barite. Either quartz or magnetite may predominate in the vein.

CMG's drilling and shallow geochemical holes appear to have defined at least two northeast-trending structural corridors in welded rhyolitic ignimbrite with widths up to 100m that hosted siliceous jasper-magnetite-barite veins and multidirectional veinlets. Samples values of interest (>1.00 g/t Ag) were present in several holes. Around higher grade silver intervals (tens of metres from 50 g/t to 120 g/t Ag), zinc and lead values are also generally higher with peaks over 1% Zn and 0.8% Pb.

Three main anomalous outcropping areas within these zones exhibited silicification and alteration and high grade silver, that was contained in some quartz-magnetite-barite veins and veinlets, however, the continuity of the veins and density of veinlets is not confirmed because the poor exposure at surface and the wide space between drill holes. Figure 10 shows the location of the elevated silver values in the "central" area of the prospect together with the location of the reverse circulation (RC) and diamond drill holes (DDH).

Three main anomalous outcropping areas within these zones exhibited silicification and alteration and high grade silver, that was contained in some quartz-magnetite-barite veins and veinlets, however, the continuity of the veins and density of veinlets is not

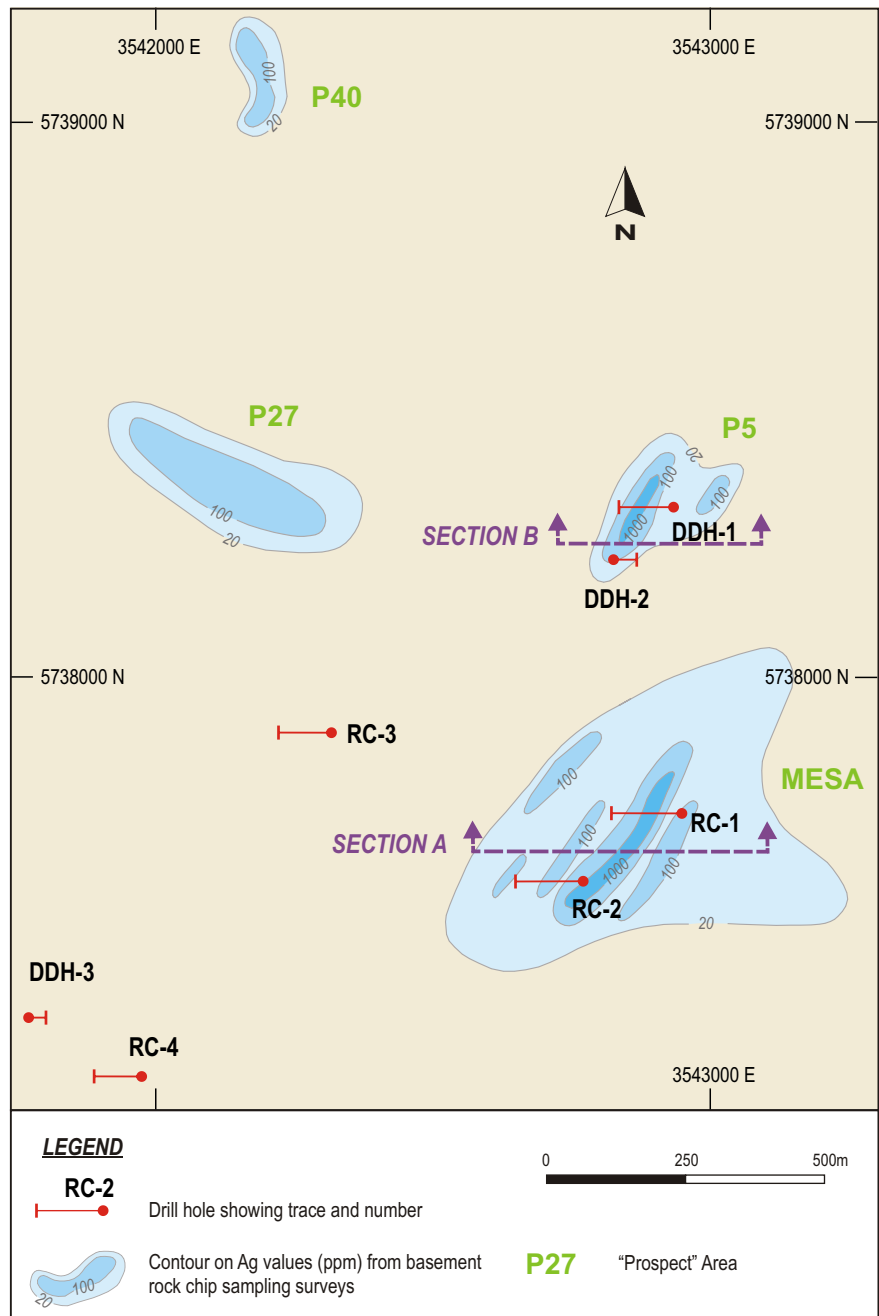


Figure 10: Pampa 7 Project - Geochemistry and drill hole locations, central area.

confirmed because the poor exposure at surface and the wide space between drill holes. Figure 10 shows the location of the elevated silver values in the "central" area of the prospect together with the location of the reverse circulation (RC) and diamond drill holes (DDH).

Figure 11 shows the anomalous Ag values from soil geochemical surveys in a prospective area located to the north-west of the area shown in figure 10.

Intersections of interest were identified in several holes. Around the higher grade silver intervals (tens of metres ranging from 50 g/t to 120 g/t Ag), zinc and lead values are normally higher with peaks over 1% Zn and 0.8% Pb. Rock data and sampling was undertaken below the 6 to 11m thick soil-caliche cover to determine the nature of the alteration and multi-element geochemical signature to aid in modeling the system.

For personal use only

MINNELEX PTY. LTD.

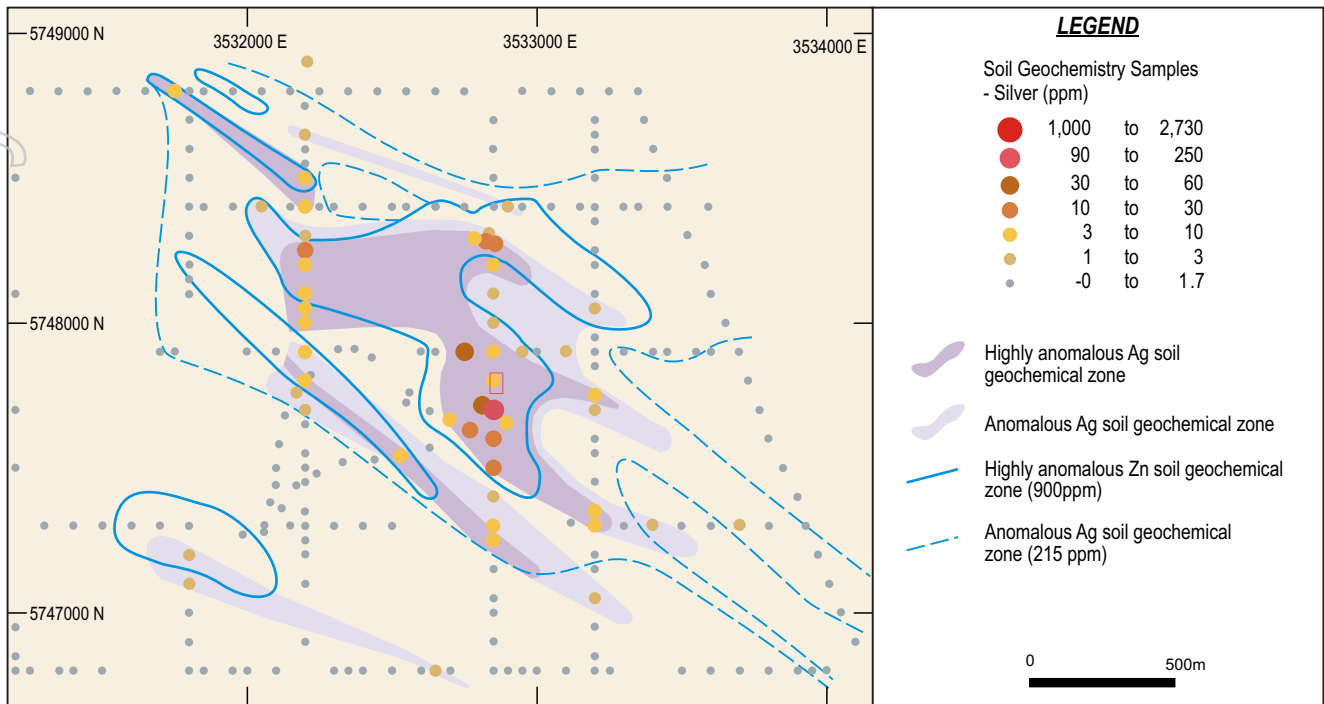


Figure 11: Pampa 7 Project - Geochemistry (NW area).

Drilling

Localized high silver values (over 1000 g/t Ag) were reported from surface sampling and short scout holes, however, the continuity of mineralisation was not known. One corridor was only tested by 3 holes at two points (La Mesa and P5), and the other corridor located 700m west was not tested by drilling.

RC drilling was carried out by North. Hole RC 1 at La Mesa and RC-2 are within a 500m long by up to 400m wide surface geochemical anomaly where silver values in outcrop ranged from 20 to >1000 ppm. RC 2 also evaluated a magnetic high. RC 3 and 4 evaluated magnetic highs. RC1 and 2 show broad areas of co-incident zinc

and silver values. RC3 and 4 have generally higher zinc values but lack the silver. Highlights of the drilling are set out below.

The diamond drill program of CMG was designed to confirm the continuity of the previous recognized structures: DDH1 and 2 are

Hole	From (m)	To (m)	Intersection (m)	Ag (ppm)	Au (g/t)	Zn (ppm)
RC-1	0	188	188	-	-	1400
	128	156	28	67	-	-
	208	242	34	-	-	1200
	144	178	134	25	-	-
RC-2	88	92	4	150	-	-
	64	152	88	34	-	-
	208	212	4	-	0.35	-
	208	214	6	80	-	-
	4	215	182	-	-	1602
RC-3	30	70	40	-	-	1623
	116	138	22	-	-	1151
RC-4	6	54	48	-	-	2266
	72	98	26	-	-	2240
	116	150	34	-	-	2377

MINNELEX PTY. LTD.

within an area of anomalous silver values in outcrop, approximately 20% the size of the area tested in RC1 and 2. Again there are co-incident zinc and silver values.

DDH 1 tested a surface geochemical anomaly (at P-5) and the continuity of the interpreted north-south silica-magnetite-barite structure.

DDH 2 tested a magnetic low adjacent to a high containing the main silicified structure. Results from DDH 1 and DDH 2 confirm the continuity of the silicified structure containing anomalous silver detected in RC-1 and the surrounding halo of zinc mineralization, which extends a further 700 meters to the north.

As shown on the accompanying sections (Figure 12) the best intersections are tabled below.

Main Mineralised Intersections

Hole	From (m)	To (m)	Intersection (m)	Ag (ppm)	Pb (g/t)	Zn (ppm)
DDH-1	0	94	94	-	-	2800
	0	34	34	-	-	4904
	4	24	20	-	3297	-
	46	56	10	122	-	-
	60	66	6	24	-	-
DDH-2	42	44	2	40	-	-
DDH-3	12	14	2	39	-	-
	68	69.8*	1.8	-	-	4130

* 69.8 was the end of the hole

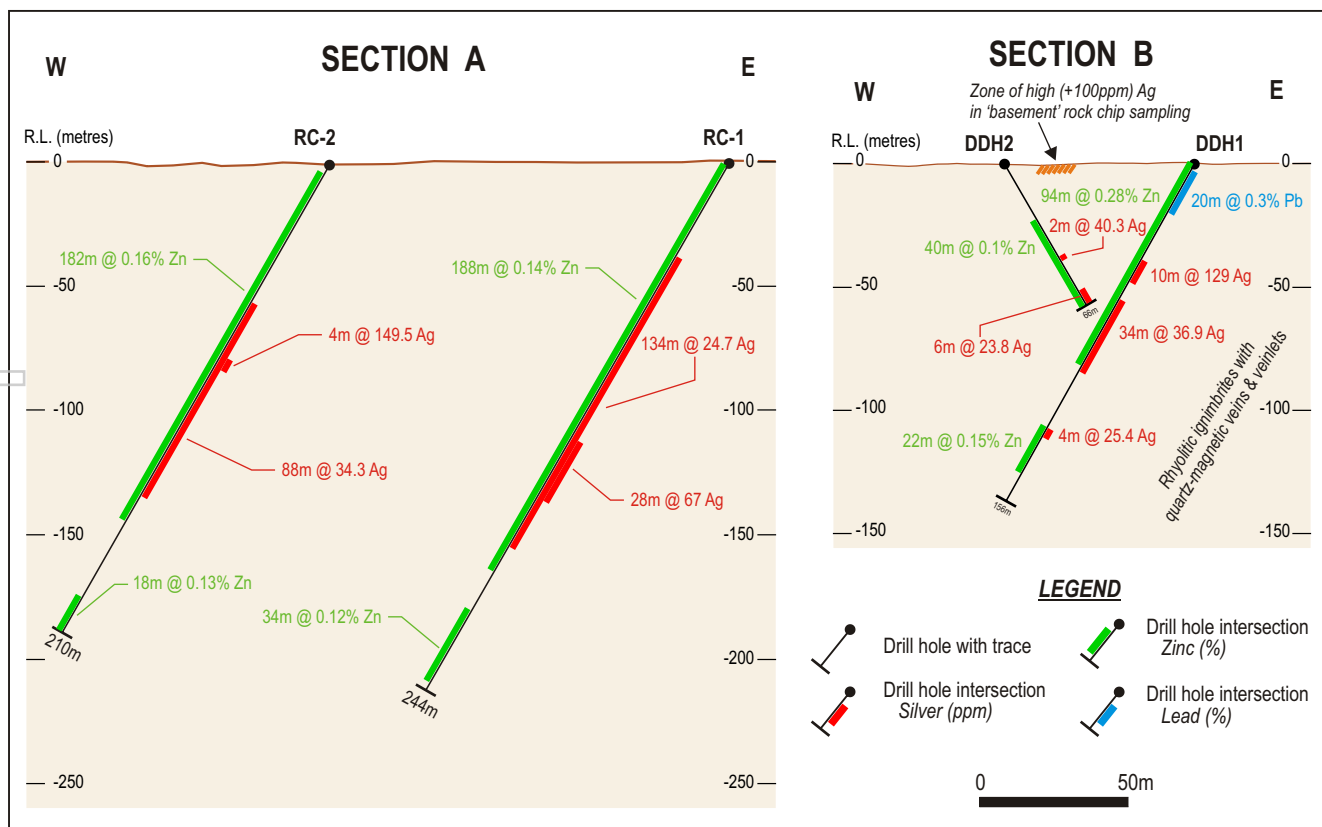


Figure 12: Pampa 7 Project - Drill hole sections.

MINNELEX PTY. LTD.

Results from DDH 1 and DDH 2 confirmed the continuity of the silicified structure containing silver detected at La Mesa by RC-1, at least 700m to the north, and the surrounding halo of Zinc mineralization and indicated that a large volume of mineralized rock is in the area represented by the two corridors (still open to the south), from surface to at least 200m depth.

Porphyry Copper Model

The Pampa 7 prospect was interpreted by North as a porphyry Cu-Au system with peripheral low sulphidation Pb-Zn-Ag-Au veins located in northeast and northwest-trending structures. The potassic alteration, the brecciated and re-healed, hornfels-texture silicification, the relatively strong, magnetite-rich propylitic alteration, and the geochemical association of copper and molybdenum suggested that the Pampa 7 prospect was part of the cupola of a dry, low sulfur-high iron porphyry copper-gold system that did not develop a phyllic alteration halo in its host rock volcanics.

The gold-copper mineralization within quartz-magnetite veinlet stockworks may have formed as a halo around the north edge of an approximately 600m diameter, magnetite-bearing intrusive which appears as a strong magnetic high in the ground magnetic survey. Alteration and mineralization occurred in an active tectonic regime with strong northeast left-lateral movement which created horse-tailing quartz veins with "mesothermal" textures and slightly later, lower temperature quartz-barite veins offset by conjugate northwest-trending faults.

North considered that the leached outcrops were reminiscent of those over the central potassic zone of a classical porphyry copper, where green copper oxides are preserved with too little sulfur to create sulfuric acid during weathering.

Payana Prospect

The Payana area covers small and sporadic outcrops at zones of transition of "Choiyoi" rhyolitic complex. Some Ordovician - Devonian granites, and upper Precambrian basement are present.

Initial inspection in 1998 noted secondary copper staining and pyritisation in the rhyolites and associate tuffs. Surface sampling located

four gold values ranging from 1030 g/t. Copper values were generally in the range from 200 to 400 ppm with a maximum of 3500 ppm.

Rock sampling was carried out by Arminex in 1996, with 50 samples averaging 410 ppm copper. Further sampling in 1997 and 1998 noted some associated molybdenum with the higher copper values. In 2007, geologist Gramage confirmed previous sampling results and located quartzose sub-crops with meso to epithermal characteristics with some brecciated zones and fluorite mineralisation noted. Gramage noted that drilling by MIM Co (Australia) tested magnetic targets in 2005-06 in the northern zone. One of three holes returned rhyolitic volcanics with anomalous copper.

In the southern zone, which had not previously been sampled, quartzose sub-crops over a wide area were sampled with meso-epithermal characteristics, some brecciated and containing fluorite. Two samples returned elevated values of 945 ppm Cu, 47 ppm Ag and 654 ppm Cu. A circular structure is present (Cerrito Payana) which underlies the locations of the interesting samples and which is associated with higher relief and with rhyolitic volcanics on the northern side exhibiting minor copper staining.

Budget

Exploration over the next two years on the Pampa 7 - Payana Project will include remote sensing, geochemical sampling and drilling. Orocobre have budgeted between \$85,000 and \$185,000.

Prospectivity

- At Pampa 7, geochemical sampling has defined a broad zinc high trending northerly for 3 km and up to 1.5 km wide within which there are extensive zones of anomalous silver values association with some lead and gold. The four RC holes, three core holes and the short scout holes confirm the existence of a large volume of mineralized rock in the area represented by the two corridors that extend to at least 200 meter depth and which are still open to the south.
- The Pampa 7 prospect can be interpreted as a porphyry Cu-Au system with peripheral low sulphidation Pb-Zn-Ag-Au veins located in northeast and northwest-

trending structures, possibly part of the cupola of a dry, low sulfur-high iron porphyry copper-gold system that did not develop a phyllic alteration halo in its host rock volcanics. This iron-rich porphyry gold model is supported by the geophysical signature, the presence of potassic alteration and quartz - magnetite veinlets and makes an attractive exploration target although other evidence is contradictory.

- Gold-copper veinlet stockworks may have formed as a halo around the north edge of an approximately 600m -diameter magnetite-bearing intrusive which appears as a strong magnetic high in the ground magnetic survey.
- Payana is a large generally unexplored area which has returned elevated copper values from sporadic outcrops of siliceous volcanics.
- The very extensive intersections of highly elevated Zn and Ag mineralization (e.g. 134m at 24.7 ppm Ag, including 28m at 67 ppm Ag in hole RC-1 (128-156m) is very encouraging.

PAMPA 8 (Copper, Gold, Moly)

Introduction

The Pampa 8 tenements of 22,848 ha are located in the La Pampa Province of Argentina some 70 km southeast of Santa Isabel City. The area is generally flat. Access is via sealed road from Santa Isabel and local tracks and a gas pipeline runs near the tenement (Figure. 13).

Pampa 8 hosts a leached copper anomaly in quartzite associated with sericitic alteration and strong structural control. The copper is associated with quartz-sericite-magnetite alteration extending over 8 km of strike of sub-cropping quartzite. Within this strike length a 1.5 x 0.5 km copper anomaly has been located with rock chip sample values between 1000 and 4000 ppm Cu and 25 to 80 ppm Mo, within a broader copper anomaly whose surface limits have not been fully defined.

For personal use only

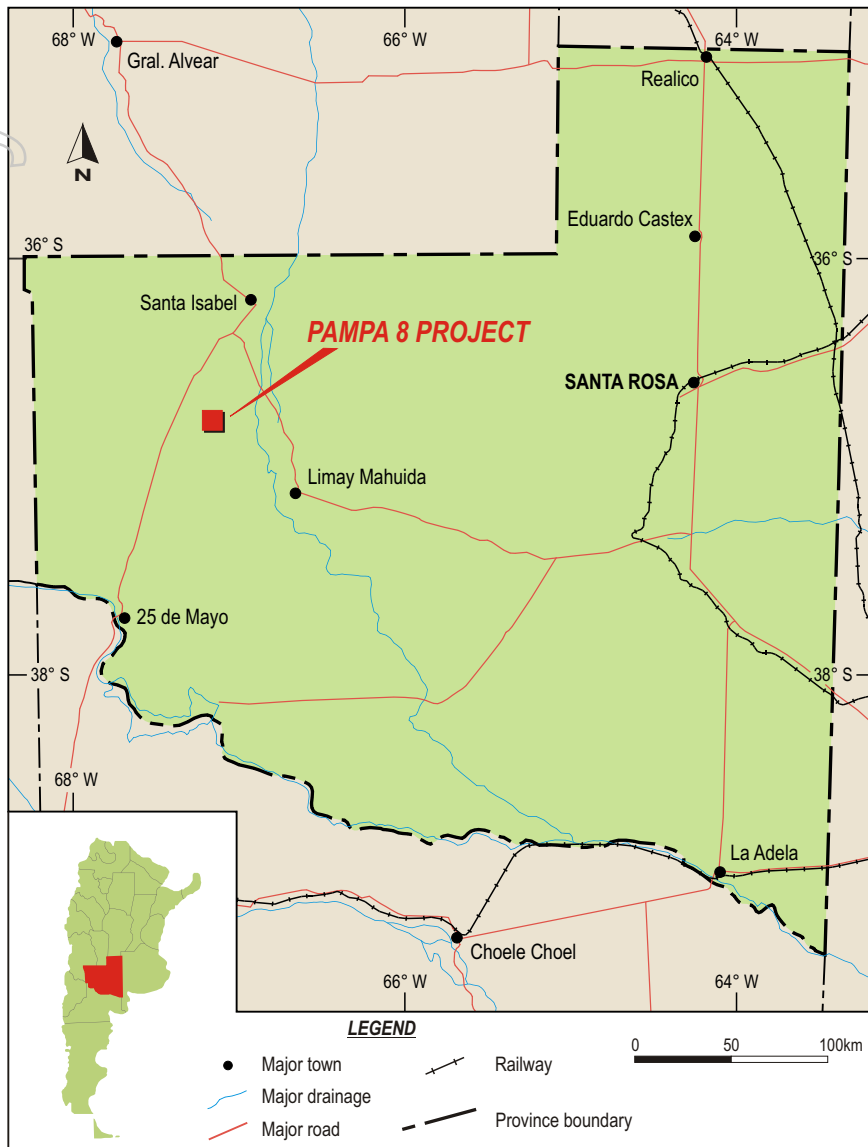


Figure 13: Location of Pampa 8 Project, La Pampa Province.

Previous Work

R N Gramage, 1998-2001

Initial soil and rock chip sampling was carried out by consultant R N Gramage between 1998 and 2001, concentrating on the sedimentary rocks. Quartzitic outcrops were located that were anomalous in gold, copper and molybdenum.

Rio Tinto, 2002

An option agreement was reached between Gramage and Rio Tinto Mining and Exploration Limited (Rio Tinto) in 2001. Before allowing the option to lapse Rio Tinto carried out:

- Satellite imagery

- Rock sampling and geological mapping. Rock chip sampling was conducted on representative float and limited outcrop occurrences over 5-20m intervals normal to the direction of controlling structures. Sampling was conducted so as to be representative and reproducible over significant widths. Sample size ranged from 3-5 kg with most samples containing more than 20 pieces of rock material

- Geophysics that consisted of airborne magnetics and radiometrics flown on N-S lines at 250m spacings.

- Three dipole-dipole IP east-trending lines across the quartzite on 100-200m spacings.

- Two RC drill holes on one 1P line to follow up a chargeability anomaly on the eastern contact.

Geology and Mineralisation

The geology consists of possible Proterozoic basement diorites and granodiorite-monzonite porphyry and limited clastic sediments metamorphosed to lower greenschist facies. These rocks exhibit minor copper and iron mineralization when found near the quartzite host. Possible Ordovician geology is represented by small intrusive bodies. Mineralised Carboniferous quartzite sub-crops as a northwesterly trending ridge. The quartzite dips vertically where bedding is visible.

Permian intrusives (and volcanics) outcrop over the western half of the tenement area and are also found as small dyke-like intrusives in quartzite and basement. The intrusives largely consist of dacitic granophyre, which locally appears rhyolitic due to potassic alteration. The volcanics are also of dacitic composition and consist of flows, flow breccias and ignimbrites. Regionally the granophyre is correlated with the Choiyoi Group of the San Rafael Belt. Rhyolites, where present, are silicified and occasionally carry copper mineralisation.

Work by Rio Tinto defined an 8 km x 100-400m zone zoned occurrence of structurally controlled copper-iron-gold-silver mineralisation in the Carboniferous quartzite unit (with minor mineralisation in the Permian intrusives and possible Proterozoic basement also). Disseminated copper is found in a core zone measuring 3 km x 1 km, where a rock chip geochemical anomaly commonly exceeds 500 ppm Cu. Within this, there is a 1.5 x 0.5 km area where most values exceed 1000 ppm Cu. The Cu geochemistry of the area is shown in Figure 14.

Sericitic alteration affects the entire quartzite and chlorite and potassic alteration has been recognized in the area. Thin chalcedonic quartz veins, commonly overprinting breccias and micro-breccias occur and these have preserved some fine grained copper sulphides. Quartz veined copper mineralization is a relatively minor portion of the overall system but can have high grade copper oxides.

MINNELEX PTY. LTD.

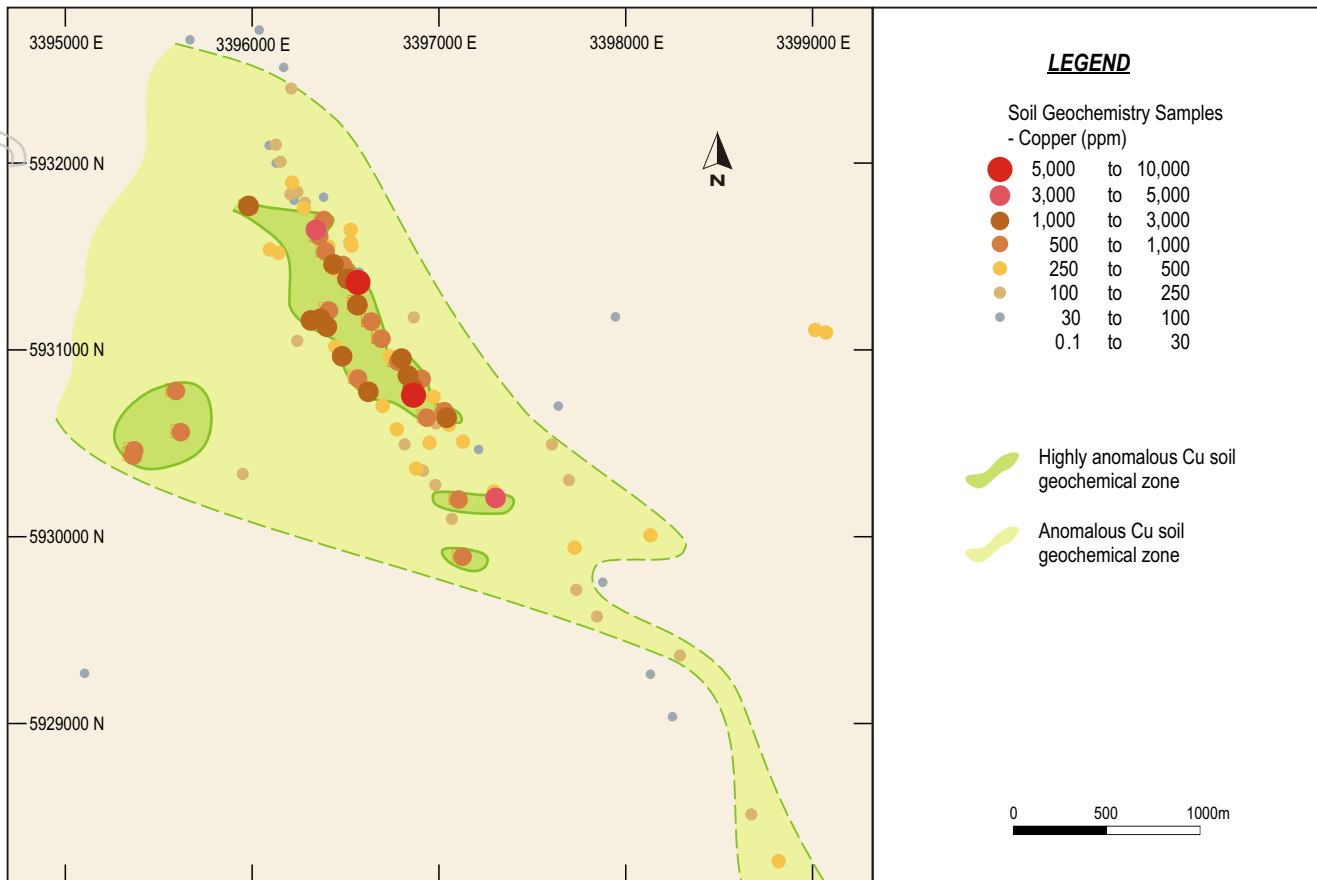


Figure 14: Pampa 8 Project - Geochemistry (central area).

The structural control to copper mineralization consists of N50E trending micro breccias, breccias, and quartz veins. Breccias consist of matrix supported, angular clasts of quartzite within a goethite-hematite matrix. Pyrite was not identified but was likely present on fractures as evidenced by the almost complete leaching of copper. Total iron in mineralized quartzite ranges from 1-4% as goethite and crystalline hematite

The only element to positively correlate with copper is molybdenum with values range from 10 to 80 ppm within the + 500 ppm Cu area, but scattered high values to 110 ppm are found south of the copper area on the quartzite ridge. The relatively high Mo values and spatial overlapping of copper anomalies suggests a magmatic source for Cu-Mo mineralization.

At the southern margin of the quartzite ridge there is minor gold mineralisation associated with disseminated pyrite, high arsenic values and high total iron. Gold assays to 4.5 g/t have been reported here.

An airborne magnetic survey by Rio Tinto showed that a coherent magnetic low was coincident with the quartzite ridge with possible extensions of the quartzite to 12 km to the north-west. The interpretations also suggested a highly magnetic source at depth, extending in a northeast direction from the quartzite ridge and possibly the expression of a diorite body. The diorite would be a prime source for the copper.

Three dipole-dipole IP east-trending lines across the quartzite defined two areas for follow-up drilling - a chargeability anomaly on the eastern contact of the quartzite ridge and a "significantly conductive" anomaly to the east where the lithology appeared to be displaced easterly.

Two RC drill holes 200m and 190m deep respectively tested the anomalies. The first hole tested a strong IP anomaly coincident with an area of anomalous copper in outcrop (<1000 ppm Cu). The second hole 500m to the east tested a strong conductor. Copper values

increased in the bottom of the hole just around the contact with a diorite body (2-3 times background), further evidence for the role of diorite in the mineralising event.

The holes confirmed the presence of pyrite and minor chalcopyrite below the level of oxidation at 80-90m, but copper grades were sub-economic (best grades 8m from 74m of 740 ppm Cu). The holes were not targeted for the geochemical anomalies.

Budget

Exploration over the next two years on the Pampa 8 Project will include remote sensing, geochemical sampling and drilling. Orocobre have budgeted between \$85,000 and \$185,000.

Prospectivity

- A large zoned occurrence of structurally controlled copper-iron-gold-silver

MINNELEX PTY. LTD.

quartzite unit 8 km long x 100-400m wide, possibly allied to a porphyry style or an "I.O.C.G." (Ernest Henry) style deposit.

- Copper mineralisation is most intense within a (3 km x 1 km) "core" zone where rock chip geochemistry commonly exceeds values of 500 ppm Cu. Within this, there is a zone some 1.5 x 0.5 km. with most values exceeding 1000 ppm Cu. Elevated Mo values also occur (to 110 ppm).
- Airborne magnetics defined a highly magnetic deep anomaly, extending in a northeast direction from the quartzite ridge - possibly the expression of a diorite body and a possible source for the copper in the quartzite unit.
- At the southern margin of the quartzite ridge rock chip gold assays to 4.5 g/t have been located.
- Only two RC drill holes have tested portion of a possibly large mineralised system.
- The surface extent of the mineralisation has not been defined

Opinion of Exploration Programme

The company's exploration programmes for each of the tenements has been designed to meet the requirements of the geological environments and exploration methodologies which have been outlined in this Prospectus. The exploration budget for the two-year proposed programme is tabulated in the project summaries. A total expenditure of up to \$3,225,000 is planned on the South American tenements and a further \$140,000 will be spent in Laos based on for the maximum capital raising of \$6.25m. In the event of only raising the minimum quantity, work on Salar Olaroz and Santo Domingo will be prioritised. As these properties are the most prospective, this would be the appropriate strategy.

We consider that the planned exploration programme is satisfactory and clearly defined and that the expenditure budgets are reasonable, having regard to the stated objectives of the Company, the prospectivity of the individual exploration areas and the exploration database already available. We are of the opinion that sufficient work has taken

place on the tenements in the last two years to justify the planned exploration and the budgeted expenditure programmes.

Qualifications

Minnelex is a long-established and reputable geological consulting group.

The person responsible for the preparation of this report is:

**R C Pyper. BSc, FAusIMM, MAICD.
Consulting Geologist**

Mr Pyper is a geologist with 45 years of industry experience and 24 years of consulting practice in precious metals, basemetals, bauxite, gemstones, industrial minerals and mineral sands. He has had extensive experience in the valuation of mineral exploration properties.

Declaration

The statements and opinions contained in this report are given in good faith but, in the preparation of this report, Minnelex has relied substantially on information provided by Orocobre. We do not have reason to doubt the information so provided.

The information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Robert Pyper, who is a Fellow of the Australasia Institute of Mining and Metallurgy. Mr Pyper has sufficient experience relevant to the style of mineralisation and the type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Pyper consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.

Disclaimer of Interests

At the date of this report, Minnelex do not have, nor have had any relationship with Orocobre other than as may have occurred as a result of providing consultancy services in the ordinary course of business.

Minnelex and R C Pyper have neither relevant interest in, nor any interest in the acquisition or disposal of any securities of Orocobre.

Minnelex has no pecuniary or other interest that could be regarded as being capable of affecting its ability to give an unbiased opinion in relation to the acquisition of the mineral interests of Orocobre.

Neither Minnelex nor R C Pyper has received or may receive any pecuniary or other benefits, whether direct or indirect or in connection with the preparing of this report other than normal consultancy fees based on fee time at normal professional rates plus out-of-pocket expenses.

References

Pampa 7

Sergio Devaux - Final Report for North. July 1999.

Devaux et al - Pampa 7 Report. Canadian Mining Group SA. March 2000.

Pampa 8

Gramage R.L. - Pampa 8 Report. From 1998-2001.

Pampa 8 Report. Rio Tinto Mining and Exploration Limited. 2001.

Olaroz Salar Project

Various notes on Rincon Salar.
Zimmerman C. - Summary Report on the Salar Olaroz Lithium Project, 2007.

Santo Domingo

Gramage RL - Models for Mineralisation March 2007.

General Reference

Information Memorandum of Orocobre Limited. October 2006.

MINNELEX PTY. LTD.

GLOSSARY

Alteration Assemblages

Argillic: Clay-rich assemblages dominated by low-temperature clays such as kaolinite, smectite, and interlayered illite-smectite. Form in the presence of low-temperature (<230°C) acid to neutral hydrothermal fluids.

Phyllic: Dominated by illite or sericite and quartz, together with pyrite and possibly anhydrite. May also contain minor chlorite, adularia, calcite, titanate and rutile. Form in the presence of moderate to high temperature (approx. 230-400°C) acid to neutral fluids, commonly in permeable zones and adjacent to veins.

Propylitic: Characterized by chlorite, with some of illite/sericite, epidote, quartz, albite, adularia, calcite, and anhydrite. Form at moderate temperatures (mostly 200-300°C), in the presence of near-neutral pH fluids, commonly in low permeability areas.

High-temperature

Propylitic: Contains secondary actinolite and/or garnet in addition to the above assemblage. Forms under similar conditions, but higher temperatures (>290°C) than propylitic assemblages.

Potassic: Major secondary minerals are biotite, K-feldspar, quartz, and magnetite. Actinolite and anhydrite are common accessories, with minor albite and titanate or rutile. Potassic alteration is caused by near-intrusive, hot (>300°C) fluids with a strongly magmatic character and high salinity.

Advanced Argillic: Contains alunite, diaspore, and/or pyrophyllite, together with one or more of quartz, chalcedony, and kaolinite or dickite. These assemblages occur as tabular near-vertical zones in the porphyry environment, due to ascending acid magmatic fluids, and as near-horizontal blankets at shallow epithermal levels, where acid-sulphate fluids form from epithermal waters.

Skarn: May contain garnet, clinopyroxene, vesuvianite, scapolite, wollastonite, epidote, amphibole, magnetite and calcite as major components. Minor amounts of biotite, K-feldspar, quartz and chlorite may also be present. Minerals present are similar to those found in potassic, high temperature propylitic and propylitic assemblages of porphyry system. Forms in the presence of calcium-rich fluids over a wide temperature range with early anhydrous minerals forming in the range 300 - 700°C. Occurs near the contact between calcareous lithologies and intrusives.

Alteration Intensity

Unaltered:	No secondary minerals.
Weak:	Minor (<25 vol. %) secondary minerals.
Moderate:	25-75 vol. % secondary minerals.
Strong:	>75 vol. % secondary minerals.
Intense:	Completely altered (except for primary quartz, zircon, and apatite), but primary textures remain visible.
Total:	Completely altered (except for primary quartz, zircon, and apatite), and primary textures lost.

Grain Size [Igneous/Hydrothermal Petrology]

Very Fine:	<0.05 mm
Fine:	0.05-1 mm
Medium:	1-5 mm
Coarse:	5-30 mm
Very Coarse:	>30 mm

Hydrothermal Systems

Boiling zone:	Zone of two-phase (i.e. boiling) fluid, generally within a hydrothermal upflow.
Conductive:	Transmitted through a rock or liquid.
Convective:	Transmitted by movement of a fluid.
Hydrofracturing:	Fracturing of rocks when fluid pressure exceeds the minimum compressive stress plus the effective tensile strength of the rock.

MINNELEX PTY. LTD.

Hydrostatic:	Where pressures are determined by the amount of overlying liquid
Hydrothermal breccia:	A general term for a rock which was brecciated by fluid processes within a hydrothermal system, without being specific as to whether energy transfer was convective or conductive, or directly magmatic.
Hydrothermal eruption:	An eruption which reaches the surface and is caused by hydrothermal processes.
Lithostatic:	Where fluid pressures are determined by the confining rock pressure.
Magmatic:	Water of magmatic origin that is derived from the loss of volatiles from magma.
Meteoric:	Water of surficial origin, including near-surface groundwaters.
Outflow:	Area where water is flowing laterally away from an upflow zone.
Permeability:	The ability of fluid to flow through the rock, which depends on the porosity and the degree of interconnection of pores.
Porosity:	Degree of pore space within a rock.
Upflow:	Area where hot water is flowing more or less vertically upwards within a geothermal system.

Mineralisation

Epithermal:	Mineralisation produced by near-surface hydrothermal fluids related to igneous activity; originally defined as having formed in the range 50-200°C, though 50-250°C is perhaps more commonly accepted now.
Epigenetic:	Mineralisation which was later introduced into older rocks.
Gold fineness:	A measure of the gold content of native gold or silver grains, determined by the equation $1000 \times \text{Au} / (\text{Au} + \text{Ag})$, where Au and Ag are determined by weight.
High-sulphidation:	A category of epithermal style of mineralisation where the mineralising solutions have high sulphur and high acidity. They are characterised by enargite-gold (or quartz-alunite, or alunite-kaolinite) systems and produce more acid alteration, and greater base metal mineralisation at the epithermal level.
Hypogene:	Formed by processes occurring within the earth, especially mineralisation associated with ascending hot fluids.
Hypothermal:	Mineralisation associated with high temperature hydrothermal fluids; originally defined as forming at 300-500°C, today it applies to temperatures over about 350°C.
Low-sulphidation:	A category of epithermal style of mineralisation where the mineralising solutions have high sulphur and high acidity. They are characterised by adularia-sericite type systems with phyllic, propylitic, and argillic alteration zones.
Mesothermal:	Mineralisation produced in the deeper parts of epithermal-type systems; originally defined as forming at 200-300°C, though 250-350° is more commonly accepted now.
Porphyry:	Mesothermal deposits associated with intrusive porphyry bodies.
Porphyry copper:	Large low-grade fracture-controlled and disseminated copper (molybdenum) occurrence, associated with felsic and intermediate epizonal intrusives.
Skarn:	Mineralisation associated with moderate to high temperature hydrothermally altered/metasomatised rocks near the contact between intrusive bodies and calcareous rocks.
Supergene:	Formed by surficial processes, particularly oxidation, hydration, solution, and deposition.
Syngenetic:	Mineralisation which formed at the same time as the enclosing rocks.
Volcanic Massive Sulphide (VMS):	Mineralisation associated with submarine hydrothermal systems.

Textural Terms

Equigranular:	Composed of crystals of approximately equal grain size.
Porphyritic:	Igneous rock containing coarse crystals (phenocrysts) in a fine groundmass.
Porphyry:	Medium-grained subvolcanic rock containing phenocrysts.

Mineral and Rock Terms

Illite:	Colorless, birefringent clay which is characterized by having the largest XRD peak at about 10.0A (8.8°). This peak should not shift on glycolation, but is not sufficiently sharp to be termed sericite.
Illite-Smectite:	Pale green or brownish fine-grained clay, which has a major XRD peak between 15.4 and 10.0A (5.7 - 8.8°), which shifts on glycolation.
Sericite:	Colorless birefringent clay which commonly forms coarse flakes. It is characterized by very sharp XRD peaks at 10.0A (8.8°), 4.98 (17.8) and 3.33A (26.6°).

MINNELEX PTY. LTD.
General

AAS	Atomic absorption spectroscopy. A technique for testing the amount of an element in a sample
acid volcanic	Volcanic rock with high content of quartz.
adularia	Alkali feldspar of low temperature origin.
aeromagnetic	Magnetic survey by aircraft
alluvium	Water-lain sediments
alunite	Hydrothermally altered feldspar, K rich
auriferous	Gold bearing.
andesite	A fine grained igneous rock with intermediate silica content.
anomaly	Usually soil or rock assay or geophysical result considered to be different from background
AusIMM	The Australian Institute of Mining and Metallurgy.
basalt	A fine grained dark basic igneous rock.
basemetal	A term generally confined to copper, lead and zinc.
basic	An igneous rock with a low silica content.
batholith	An igneous intrusion <100 sq km in area
BLEG	Bulk leach extractable gold. Applied to assaying a large sample of active stream sediment.
bonanza gold	Very rich gold related to particular zones within an epithermal system
breccia	Rock fragments in a finer grained matrix.
calc-silicates	A rock or mineral in which calcium and silica are dominant.
carbonate	Carbon and oxygen in the ratio 1:3
chalcopyrite	Copper and iron sulphide
clastic	Rock comprised of fragments of re-existing rocks
costean	Trench dug to aid geological mapping and sampling
country rock	Rocks surrounding mineralisation which in themselves are of no economic value.
Cretaceous	The final period of the Mesozoic, 135 - 65 million years ago.
dacite	A volcanic rock intermediate between andesite and rhyolite.
Devonian	The period 400 - 345 million years ago.
diorite	A plutonic rock intermediate in composition between acid and basic
EM	Electromagnetic survey Measures magnetic fields from artificially introduced currents.
epithermal	Low temperature hydrothermal processes.
fault	A fracture in a rock mass, with the movement of one side past the other.
ferruginous	Iron rich
gangue	Waste rock or mineral associated with ores.
grade	The quantity of ore or metal present relative to other constituents of the rock or ore.
granite	Coarse grained acid igneous rock containing quartz and feldspar
granodiorite	Similar rock to granite but with less silica
hydrothermal	Circulation of hot water through rocks with leaching and deposition of minerals
igneous	Rocks formed from a molten state.
in-situ	In place
intrusive	A body of hot igneous rock which invades the overlying rocks
limonite	Hydrous iron oxide.
lineament	A linear topographical feature of regional extent thought to reflect crustal structure.
massive sulphide	A body of rock with >40% sulphides. It may not be ore.
mesothermal	Deep hydrothermal mineralisation formed between 200°C - 300°C
Mesozoic	An era of geological time from 225 - 65 million years
meta	Refers to alteration
metallurgical	Concerned with the production of raw metals from ores.
metamorphic	Alteration of rocks by heat and pressure.
RC drilling	Reverse circulation drilling. Gives a less contaminated sample than open hole drilling.
rhyolite	Light coloured extrusive volcanic rock
spilite	Altered basalts
stockworks	Three dimensional network of irregular veinlets.
stream sediment	Sample taken of stream gravels and assayed.
sulphide	A mineral compound linked to sulphur.
tenement	Ground granted for exploration or mining purposes.
Tertiary	The period from 65 to 2 million years
tuffaceous	Rich in tuff.
VHMS	Volcanic hosted massive sulphide
volcanic	Related to volcanoes or volcanism.

6

INDEPENDENT ACCOUNTANT'S REPORT

12 October 2007

The Directors
Orocobre Limited
PO Box 3233
BRISBANE QLD 4001



Dear Sirs

INDEPENDENT ACCOUNTANT'S REPORT

1. INTRODUCTION

We have prepared this Independent Accountant's Report ("Report") at the request of the directors of Orocobre Limited ("Orocobre" or "the Company") for inclusion in a Prospectus ("the Prospectus") to be dated on or about 12 October 2007 relating to the offer by Orocobre of up to 25 million fully paid ordinary shares ("shares") at \$0.25 cents per share to raise an amount of \$6,250,000 ("the Offer"). The minimum subscription under the Offer is 16 million fully paid ordinary shares at \$0.25 cents per share to raise \$4,000,000.

Expressions defined in the Prospectus have the same meaning in this Report.

2. SCOPE

We have been requested to prepare an Independent Accountant's Report covering the following financial information:

- Historical Financial Information comprising the historical Balance Sheets as at 30 June 2006 and 2007, and the historical Income Statements, Statements of Changes in Equity, Cash Flow Statements and applicable notes to those statements for the years ended 30 June 2006 and 2007, as set out in the attachment to this Report; and
- Pro-forma Financial Information comprising the Pro-forma Balance Sheets as at 30 June 2007 and the Pro-forma Income Statements, Statements Of Changes In Equity, Cash Flow Statements and applicable notes to those statements, which assume completion of the contemplated transactions as at that date as set out in Note 2 in the Pro-forma Financial Information.

The Historical Financial Information has been extracted from the audited financial statements of Orocobre, which we have audited and on which unqualified audit opinions were issued. No adjustments have been made to the audited financial statements.

The Directors have prepared and are responsible for the Historical and Pro-forma Financial Information. We disclaim any responsibility for any reliance on this report or on the financial information to which it relates for any purposes other than that for which it was prepared. This Report should be read in conjunction with the full Prospectus.



Level 4, 127 Creek Street, Brisbane, QLD. 4000, GPO Box 1189, Brisbane, Qld. 4001.
Telephone: (07) 3229 2022 Facsimile: (07) 3229 3277 Email: email@robertsons.net.au

Audit of Historical Financial Information

We have conducted independent audits of the Historical Financial Information in order to express an audit opinion. Our audits were conducted in accordance with Australian Auditing Standards applicable to audit engagements to provide reasonable assurance whether the Historical Financial Information is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the Historical Financial Reports, and the evaluation of accounting policies and significant accounting estimates. These procedures were undertaken to form an opinion whether, in all material respects, the Historical Financial Information is prepared in accordance with the measurement and recognition requirements, but not all the disclosure requirements, of applicable Accounting Standards and other mandatory professional reporting requirements in Australia, so as to present a view which is consistent with our understanding of Orocobre's financial position as at 30 June 2006 and 2007 and of its performance as represented by the results of its operations and its cash flows for the years ended 30 June 2006 and 2007.

Review of Pro-forma Financial Information

We have conducted an independent review of the Pro-forma Financial Information in order to state whether on the basis of the procedures described, anything has come to our attention that would cause us to believe that:

- (a) the Pro-forma Financial Information has not been prepared on the basis of the assumptions set out in Note 2 in the Pro-forma Financial Information; and
- (b) is not applying the measurement and recognition requirements, but not all of the disclosure requirements, of applicable Accounting Standards and other mandatory professional reporting requirements in Australia, as if the pro-forma transactions as set out in Note 2 in the Pro-forma Financial Information had occurred as at 30 June 2007.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements and has been limited to reading of relevant Board minutes, reading of contracts and other legal documents, inquiries of management personnel and analytical procedures applied to the financial data. We have also determined whether the pro-forma transactions formed a reasonable basis for the preparation of the Pro-forma Financial Information. These review procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and accordingly, we do not express an audit opinion on the Pro-forma Financial Information.

3. OPINION AND STATEMENT

Audit Opinion on Historical Financial Information

In our opinion, the Historical Financial Information of Orocobre as set out in as set out in the attachment to this Report has been prepared in accordance with the measurement and recognition requirements, but not all the disclosure requirements, of applicable Accounting Standards and other mandatory professional reporting requirements in Australia, to present the financial position of Orocobre as at 30 June 2006 and 2007 and of its performance as represented by the results of its operations and its cash flows for the years ended 30 June 2006 and 2007.

For personal use only

Review Statement on Pro-forma Financial Information

Based on our review, which was not an audit, nothing has come to our attention which would cause us to believe that the Pro-forma Financial Information as set out in as set out in the attachment to this Report:

- (a) has not been prepared on the basis of the assumptions as set out in Note 2 in the Pro-forma Financial Information as at 30 June 2007; and
- (b) is not applying the measurement and recognition requirements, but not all the disclosure requirements, of applicable Accounting Standards and other mandatory professional reporting requirements in Australia, as if the pro-forma transactions set out in Note 2 in the Pro-forma Financial Information had occurred on that date.

4. SUBSEQUENT EVENTS

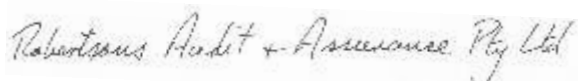
Apart from the matters dealt with in this Report and having regard to the scope of our Report, to the best of our knowledge and belief, no material transactions or events outside the ordinary business of Orocobre subsequent to 30 June 2007 have come to our attention which would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

5. DISCLOSURES

Robertsons Audit & Assurance Pty Ltd ("Robertsons") does not have any pecuniary interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased opinion in this matter. Robertsons is the auditor of Orocobre and receives fees for audit services. Robertsons will also receive a fee for the preparation of this Report.

Consent for the inclusion of the Independent Accountant's Report in the Prospectus in the form and context in which it appears has been given. At the date of this Report, this consent has not been withdrawn.

Yours faithfully



Robertsons Audit and Assurance Pty Ltd



N D Bamford
Director

INCOME STATEMENTS

	Note	Audited 30/06/06 \$	Audited 30/06/07 \$	Proforma	
				Minimum \$	Maximum \$
Interest revenue		906	19,499	19,499	19,499
Less expenses:					
Corporate expenses		(68,205)	(136,515)	(136,515)	(136,515)
Employee benefit expenses		-	-	-	-
Exploration & evaluation expenses		(33,420)	(51,824)	(51,824)	(51,824)
Loss before income tax expense		(100,719)	(168,840)	(168,840)	(168,840)
Income tax expense	12	-	-	-	-
Loss for the year		(100,719)	(168,840)	(168,840)	(168,840)
Loss attributable to members of the Company		(100,719)	(168,840)	(168,840)	(168,840)

The accompanying notes form part of these financial statements.

For personal use only

BALANCE SHEETS

	Note	Audited 30/06/06 \$	Audited 30/06/07 \$	Proforma Minimum \$	Proforma Maximum \$
CURRENT ASSETS					
Cash and cash equivalents	3	375,411	498,491	4,200,191	6,358,935
Trade and other receivables	4	11,617	17,951	17,951	17,951
Other	5	-	15,564	15,564	15,564
Total Current Assets		387,028	532,006	4,233,706	6,392,450
NON-CURRENT ASSETS					
Exploration and evaluation asset	6	-	184,639	184,639	184,639
Total Non-Current Assets		-	184,639	184,639	184,639
TOTAL ASSETS		387,028	716,645	4,418,345	6,577,089
CURRENT LIABILITIES					
Trade and other payables	7	356,935	112,927	112,927	112,927
Total Current Liabilities		356,935	112,927	112,927	112,927
TOTAL LIABILITIES		356,935	112,927	112,927	112,927
NET ASSETS		30,093	603,718	4,305,418	6,464,162
EQUITY					
Issued Capital	8	135,003	877,155	4,513,455	6,672,199
Reserves	9	-	313	65,713	65,713
Accumulated losses		(104,910)	(273,750)	(273,750)	(273,750)
TOTAL EQUITY		30,093	603,718	4,305,418	6,464,162

The accompanying notes form part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

	Note	Share Capital \$	Accumulated Losses \$	Foreign Currency Translation Reserve \$	Option Reserve \$	Total \$
2006 - Audited						
Balance at beginning of period		3	(4,191)	-	-	(4,188)
Shares issued during the period	8	135,000	-	-	-	135,000
Loss attributable to members of the Company		-	(100,719)	-	-	(100,719)
Balance at 30 June 2006		135,003	(104,910)	-	-	30,093
2007 - Audited						
Shares issued during the period	8	742,152	-	-	-	742,152
Loss attributable to members of the Company		-	(168,840)	-	-	(168,840)
Translation of foreign controlled entities	9	-	-	313	-	313
Balance at 30 June 2007		877,155	(273,750)	313	-	603,718
Proforma - Minimum						
Shares issued	8	4,075,000	-	-	-	4,075,000
Transaction costs		(438,700)	-	-	65,400	(373,300)
Proforma balance assuming minimum subscriptions		4,513,455	(273,750)	313	65,400	4,305,318
Proforma - Maximum						
Shares issued	8	6,325,000	-	-	-	6,325,000
Transaction costs		(529,956)	-	-	65,400	464,556
Proforma balance assuming maximum subscriptions		6,672,199	(273,750)	313	65,400	6,464,162

The accompanying notes form part of these financial statements.

For personal use only

CASH FLOW STATEMENTS

	Note	Audited 30/06/06 \$	Audited 30/06/07 \$	Proforma	
				Minimum \$	Maximum \$
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments to suppliers and employees		(26,147)	(166,072)	(166,072)	(166,072)
Interest received		906	19,499	19,499	19,499
Net cash provided by (used in) operating activities		(25,241)	(146,573)	(146,573)	(146,573)
CASH FLOWS FROM INVESTING ACTIVITIES					
Exploration expenditure	6	-	(192,621)	(192,621)	(192,621)
Net cash provided by (used in) investing activities		-	(192,621)	(192,621)	(192,621)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares	8	95,000	465,952	4,540,952	6,790,952
Costs associated with share issue		-	-	(373,300)	(464,556)
Proceeds from capital subscriptions in advance		276,200	-	-	-
Net cash provided by (used in) financing activities		371,200	465,952	4,167,652	6,326,396
Net increase/(decrease) in cash held		345,959	126,758	3,828,458	5,987,202
Cash at beginning of period		29,452	375,411	375,411	375,411
Effect of exchange rates on cash holdings in foreign currencies		-	(3,678)	(3,678)	(3,678)
Cash at end of period	3	375,411	498,491	4,200,191	6,358,935

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements, for inclusion in the Company's Prospectus, comprise extracts of the 30 June 2006 audited financial report, extracts of the 30 June 2007 audited financial report and pro forma financial statements (refer Note 2). They have been prepared in accordance with the recognition and measurement requirements, but not all the disclosure requirements, of the Australian Accounting Standards, including Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The 30 June 2007 and proforma financial information cover the economic entity of Orocobre Limited and controlled entity, Orocobre SA, an Argentine company incorporated in November 2006. The 30 June 2006 financial information covers Orocobre Limited.

The financial statements have been prepared on an accruals basis and are based on historical costs.

The significant accounting policies which have been adopted in the preparation of these financial statements are summarised below:

Principles of Consolidation

A controlled entity is any entity Orocobre Limited has the power to control the financial and operating policies of so as to obtain benefits from its activities.

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Where controlled entities have entered or left the economic entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

Minority equity interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

Income Tax

The charge for current income tax expense is based on the result for the period adjusted for any non-assessable or disallowed items.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

Exploration and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and where rights to tenure of the area of interest are current.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation or alternatively sale of the respective areas of interest.

Notes to the Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restoration Costs

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the exploration and mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

The economic entity currently has no obligation for any restoration costs in relation to discontinued operations, nor is it currently liable for any future restoration costs in relation to current areas of interest. Consequently, no provision for restoration has been deemed necessary.

Impairment of Assets

At each reporting date, the economic entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of less than 3 months, and bank overdrafts.

Issued Capital

Ordinary shares are classified as equity.

Transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Foreign Currency Transactions and Balances

Functional and presentation currency:

The economic entity's financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances:

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge.

Notes to the Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the income statement.

Group companies:

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed.

NOTE 2: PRO FORMA TRANSACTIONS

The purpose of the pro forma financial information is to show the financial effects after incorporating the following significant events and proposed transactions by the Company subsequent to 30 June 2007:

- The issue of 1,250,000 fully paid ordinary shares to raise \$75,000 in August 2007.
- The issue of a minimum 16,000,000 fully paid ordinary shares to raise \$4,000,000 pursuant to this Prospectus, and acceptance of oversubscriptions for an additional 9,000,000 ordinary shares to raise a further \$2,250,000.
- Pursuant to an agreement with Martin Place Securities Pty Ltd (refer section 8 of the Prospectus), the issue of 1,000,000 options over fully paid ordinary shares at an exercise price of \$0.25 each, exercisable up to 31 December 2010, if minimum share subscriptions are received under this Prospectus.
- The payment and write off to the issued capital of other prospectus costs of an estimated \$373,300 if minimum share subscriptions received, and \$464,556 for the maximum subscriptions received.
- The grant of 7,000,000 performance options to Directors of the Company, over fully paid ordinary shares at an exercise price of \$0.25 each, exercisable up to 31 December 2010 (refer section 8 of this Prospectus).

For the purposes of the Pro-forma Financial Information, the equity settled transactions (items 2(c) and 2(e) above) have been accounted for as follows:

- The cost of equity settled transactions has been estimated by reference to the fair value of the options, determined using an options pricing model.
- The estimated cost of the 1,000,000 options to Martin Place Securities of \$65,400 has been charged in full to share issue transaction costs (equity) and credited to Options Reserve.
- The estimated cost of the 7,000,000 performance incentive options of \$457,800 will be expensed, with a corresponding increase in equity over the vesting period, that is financial years 2008 to 2010.

Inputs to the calculation of the options include expected volatility 55%, risk free interest rate 6.25%, expected life of options of approximately 3 years, option exercise price of 25 cents, zero expected dividends and current share price \$0.25 (being the issue price of shares under this Prospectus).

Notes to the Financial Statements

	Audited 30/06/06 \$	Audited 30/06/07 \$	Proforma	
			Minimum \$	Maximum \$
NOTE 3: CASH ASSETS				
Cash at bank and on hand	375,411	498,491	4,200,191	6,358,935
NOTE 4: TRADE AND OTHER RECEIVABLES				
Current:				
Other receivables	11,617	17,951	17,951	17,951
NOTE 5: OTHER ASSETS				
Prepayments	-	15,564	15,564	15,564
NOTE 6: EXPLORATION AND EVALUATION EXPENDITURE				
Exploration and evaluation expenditure carried forward in respect of areas of interest are:				
Exploration and evaluation phase - at cost	-	184,639	184,639	184,639
Movement in exploration and evaluation asset:				
Opening balance - at cost	-	-	-	-
Capitalised exploration expenditure	-	192,621	192,621	192,621
Written off from abandoned areas of interest	-	-	-	-
Foreign currency translation movement	-	(7,982)	(7,982)	(7,982)
Carrying amount at the end of year	-	184,639	184,639	184,639
Recoverability of the carrying amount of exploration assets is dependent on the successful exploration and development of projects or alternatively through the sale of the areas of interest.				
NOTE 7: TRADE & OTHER PAYABLES				
Current:				
Sundry payables and accrued expenses	3,500	14,327	14,327	14,327
Payable to director related entities	77,235	98,600	98,600	98,600
Capital subscriptions in advance	276,200	-	-	-
Total payables (unsecured)	356,935	112,927	112,927	112,927

For personal use only

Notes to the Financial Statements

NOTE 8: ISSUED CAPITAL & OPTIONS	Audited	Audited	Proforma	
	30/06/06	30/06/07	Minimum	Maximum
	\$	\$	\$	\$
Fully paid ordinary shares	135,003	877,155	4,513,455	6,672,199
Ordinary shares	No.	No.	No.	No.
Balance at the beginning of the period	3	13,500,003	25,869,187	25,869,187
Shares issued during the period:				
Previous financial year	13,500,000	-	-	-
31 October 2006	-	6,990,967	-	-
31 January 2007	-	2,133,333	-	-
17 April 2007	-	3,244,884	-	-
Pursuant to small scale offering (August 2007)	-	-	1,250,000	1,250,000
Pursuant to this Prospectus	-	-	16,000,000	25,000,000
Balance at reporting date	13,500,003	25,869,187	43,119,187	52,119,187
Options	No.	No.	No.	No.
Balance at the beginning of the period	-	-	-	-
Options issued during the period:				
Performance options to Directors	-	-	7,000,000	7,000,000
Pursuant to an agreement with Martin Place Securities Pty Ltd	-	-	1,000,000	1,000,000
Balance at reporting date	-	-	8,000,000	8,000,000
NOTE 9: RESERVES				
(a) Foreign currency translation reserve	-	313	313	313
The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiary.				
(b) Options reserve	-	-	65,400	65,400
Balance at the beginning of the period	-	-	-	-
Issue of 1,000,000 options to Martin Place Securities Pty Ltd	-	-	65,400	65,400
	-	-	65,400	65,400

The options reserve records the amount recognised on valuation of equity settled transactions.

For personal use only

Notes to the Financial Statements

NOTE 10: RELATED PARTY TRANSACTIONS

Details of directors' interests in the issued capital of the company and transactions with the company are included in the section 8 of this Prospectus.

Details of directors' interests in options are included in section 8 of this Prospectus.

Details of directors' remuneration are included in section 8 of this Prospectus.

Details of directors' consultancy services and fees are included in section 8 of this Prospectus.

Details of executive directors' service agreements are included in section 8 of this Prospectus.

NOTE 11: COMMITMENTS

The following commitments exist at balance date but have not been brought to account.

The economic entity must meet minimum expenditure commitments in relation to option agreements over exploration tenements and to maintain those tenements in good standing.

	Audited 30/06/06	Audited 30/06/07	Proforma	
	\$	\$	Minimum \$	Maximum \$
Not later than 1 year	-	184,524	184,524	184,524
Later than 1 year but not later than 5 years	-	1,327,381	1,327,381	1,327,381
Total commitment	-	1,511,905	1,511,905	1,511,905

In addition, the company has contractual commitments in relation to costs associated with the preparation of this Prospectus. Details of these commitments are outlined in Section 8 of this Prospectus.

NOTE 12: INCOME TAX

The economic entity has unrecouped, unconfirmed carry forward tax losses of approximately \$ 230,000.

The benefit of this deferred tax asset will only be realised if the conditions for deductibility set out in Note 1 occur. This deferred tax asset has not been brought to account.

7

TENEMENT REPORT

ESTUDIO JURIDICO NOTARIAL San Lorenzo 712 - Mendoza

*Dr Jose Luis Correa
Dra. Gladys Castillo
Dra. Marla Ester Correa
Esc. Judith Abraham de Correa
Proc. Ana Marlia Serrano
Dr. Jose Luis Correa (h)*

12 October 2007

The Directors
Orocobre Limited

Dear Sirs

LEGAL REPORT ON ARGENTINE TENURE

We are instructed that Orocobre Limited (**Company**) has entered into options to purchase certain exploration and mining tenements based in various provinces of Argentina, namely Jujuy, San Juan and La Pampa (**Tenements**).

In order to raise the necessary capital to finance the exploitation of the Tenements, we are instructed that the Company intends to conduct an initial public offering of shares and list on the Australian Stock Exchange (**ASX**). The Company intends to raise up to \$6.25 million from the public offer pursuant to the terms of a prospectus (**Prospectus**).

The Company has requested that we provide a legal opinion commenting on the status and validity of:

- the Tenements; and
- the Company's proposed acquisitions of the Tenements.

Tenement Status

The Company holds three options to purchase a number of tenements in Argentina (**Option Agreements**), some of which permit exclusive exploration activities and some of which permit exclusive mining activities.

A schedule of the Tenements accompanies this report (**Schedule**). The Schedule provides details of the current status of Tenements and other relevant information and should be read in conjunction with this report.

We have conducted the necessary searches and enquiries required in respect of the Tenements and can confirm that as at the date of this report:

- where any of the Tenements are still in application form, we have conducted reasonable enquiries and are not aware of any matters that may affect the decision to grant or reject the application;
- the details of the Tenements referred to in this report are accurate as to the status and registered holders of the Tenements;
- all applicable rents and fees due in respect of the Tenements under the Mining Code or other regulations have been paid;
- all expenditure requirements and work programs under the Mining Code have been met or exemptions obtained or applied for;
- all annual expenditure and other reports on operations required to be lodged with the Secretariat of Energy and Mining (**Secretariat**) or other relevant authorities have been lodged;
- There are no securities or other encumbrances against the titles to the Tenements;
- the Tenements are owned by the persons described as the vendors in the Options;
- none of the Tenements are subject to any conditions of a material nature that are unusual or onerous by Argentine standards.

Options to Purchase

We have been provided with copies of the Option Agreements. We confirm that:

- one of the Option Agreements have been entered into by the Company directly and two by Orocobre Sociedad Anonima.
- all of the Tenements referred to in the Option Agreements are held by the persons named as the holders in the Option Agreements.
- the Option Agreements are legally binding, valid and enforceable under Argentine law.
- the Option Agreements in combination cover all of the Tenements listed in the Schedule.

Summary of Terms

Each of the Option Agreements provides for the payment of option fees at certain intervals during the term of the option. The Company may exercise the option at any time during the option period. Upon exercise of the option:

- the Company is to pay the Grantor a purchase payment less the total value of the option fees then paid; and
- the Grantor is to transfer its interest in the relevant Tenements to the Company.

The Company is granted the exclusive right to explore or mine (as applicable) the Tenements under each Option during the Option period, provided that it keeps the Tenements in good standing by meeting any minimum expenditure commitments.

Under the terms of one of the Option Agreements, that granted by Silvia Rodriguez and Carlos Zimmerman, the Grantor has an additional entitlement to receive 1.2% of net smelter returns. However, the Company may buy out this entitlement for a lump sum payment of US\$500,000.

The key terms of each Option Agreement are set out in the table below.

Project	Santo Domingo	Salar Olaroz	La Pampa
Grantor(s)	Rolando Gramage	Silvia Rodriguez and Carlos Zimmerman	Rolando Gramage Gaston Vargas Gei Jose Louis Racconto
Grantee	Orocobre Sociedad Anonima (wholly owned subsidiary of Orocobre Limited)	Orocobre Limited	Orocobre Sociedad Anonima (wholly owned subsidiary of Orocobre Limited)
Execution date	17 October 2006	27 October 2006	3 April 2006
Tenure Description	414-765-R-04, 414-13-R-05 414-1336-R-05 1124-0144-G-06 1124-0367-G-06 1124-0368-G-06 1124-0385-G-06	Expedientes 257-R-2004 Expedientes 258-R_2004 Expedientes 390-R-2005 Expedientes 391-R-2005	14252/06, 5229/96, 3514/99, 4282/99, 7166/98, 0710/98, 7436/98, 5314/97, 6287/97, 4256/97, 15959/06, 7164/98, 7401/06, 15960/06, 4249/97, 2020/01, 7316/01, 7328/01, 6450/00
Purchase Period	52 months	63 months	60 months
Purchase price	US\$750,000	US\$1,820,000	US\$1,200,000
Periodic Payments	\$10,000 on execution and payments every 6 months thereafter commencing at \$10,000 and increasing to \$35,000	\$40,000 on execution, \$40,000 after 9 months and payments every 6 months thereafter commencing at \$40,000 and increasing to \$120,000 with a payment of \$1,000,000 at the end of the term	\$15,000 on execution and payments every 6 months thereafter commencing at \$15,000 and increasing to \$47,500 with a payment of \$430,000 at the end of the term
Amount paid to date	\$20,000	\$80,000	\$30,000
Minimum expenditure	Minimum Departmental expenditure necessary to maintain tenement standing	US\$40,000 per annum	Minimum Departmental expenditure necessary to maintain tenement standing

ESTUDIO JURIDICO NOTARIAL

Tenement Types

An explanation of the different tenement types included in the Schedule are set out below:

Cateo

This category of tenement grants the holder exclusive exploration rights over the tenement area. If a mineral deposit is discovered the relevant part of the tenement can then be converted into a mining tenement. The term for which the tenement is granted depends on the size of the granted tenement area. A 500 hectare tenement has a 150 day term and each additional unit increases the term by 50 additional days. The largest possible tenement will expire in 1,100 days.

Some of the cateo tenements listed in the Schedule are at the application stage and are yet to be formally registered with the relevant authority. However, under Argentine law exploration work may begin once:

- All major steps in the application process have been completed; and
- An environmental impact assessment has been completed and approved.

All of the tenement applications have complied with the major steps in the application process. Further, a number of tenements under application have also had environmental impact assessments completed and approved, and exploration work may legally commence on those tenements. In respect of others, environmental impact assessments can be obtained as and when the Company wishes to begin exploration. The approval period for an environmental impact assessment is around 60 days and is usually little more than a formality for exploration tenements.

Manifestacion de descubrimiento

This is the status of a tenement in respect of which a discovery has been reported to the relevant authority during the exploration stage. It is effectively a procedural stage between exploration rights becoming mining rights. At this stage, the tenement boundaries are redefined to encompass the specific area of the discovery.

Mina

This type of tenement grants the exclusive right to mine the tenement area. It gives the holder the exclusive right to extract and sell specified minerals on and in the land covered by the tenement, subject to an approved plan of operations and royalties payable to the provincial government.

All minerals under concession are usually the property of the relevant province, which grants a conditional licence to extract those minerals.

Qualification

In providing this report we have assumed the information, reports and search results provided by various government agencies in Argentina are accurate and correctly reflect the particulars of the Tenements to which this report relates.

We have also assumed all documents provided to us are complete and that any copies conform to the original.

Disclosure of Interest

Jose Luis Correa will be paid fees for the preparation of this report. Other than in respect of these professional fees, Estudio Jose Luis Correa have no interest in the promotion of the Company.

Yours faithfully



Jose Luis Correa (h)
ABOGADO
S.C.J.M. N° 5240

Tenement Description	Type	File Number	Status (Granted/ Application)	Owner	Area (hectares)	Expiry Date	Annual canon Required (US\$) * ** ***
PAMPA 7 - La Pampa Province							
Mahuida	Cateo	14252 / 06		R. Gramage	496	The expiration date can be set once the cateo is granted	There is no canon required
Candelaria I	Mina	5229/96	Granted	G. Vargas Gei	1500	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	380
Pampa 11	Manif. De descubrimiento	3514/99		G. Vargas Gei	3000	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	762
Pampa 12	Manif. De descubrimiento	4282/99		G. Vargas Gei	4891	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	1245
Pampa 9	Manif. De descubrimiento	7166/98		G. Vargas Gei	2900	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	740
Pampa 7	Manif. De descubrimiento	0710/98		G. Vargas Gei	5000	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	1270
Pampa 10	Manif. De descubrimiento	7436/98		G. Vargas Gei	3000	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	762
Pampa 3 Bis	Manif. De descubrimiento	5314/97		G. Vargas Gei	2500	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	635
Candelaria	Manif. De descubrimiento	6287/97		G. Vargas Gei	2800	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	715
Payana	Manif. De descubrimiento	4256/97		G. Vargas Gei	3000	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	762
Payana II	Manif. De descubrimiento	15959 /06	Application	G. Vargas Gei	7480	The expiration date can be set once the cateo is granted	There is no canon required
PAMPA 8 - La Pampa Province							
Pampa 8	Manif. De descubrimiento	7164/98	Granted	J. L. Racconto	3000	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	762
Lomita 1	Manif. De descubrimiento	7401/06	Application	J. L. Racconto	2950	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	762
Pampa 15	Manif. De descubrimiento	6450/00	Application	R. Gramage	2940	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	762
TAM II	Cateo	15960/06	Application	R. Gramage	2977	The expiration date can be set once the cateo is granted	There is no canon required
Bayo	Manif. De descubrimiento	15960/06	Granted	G. Vargas Gei	3000	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	762

ESTUDIO JURIDICO NOTARIAL

Tenement Description	Type	File Number	Status (Granted/ Application)	Owner	Area (hectares)	Expiry Date	Annual canon Required (US\$)
PAMPA 8 - La Pampa Province (cont.)							
Pampa 16	Manif. De descubrimiento	2020/01	Granted	R. Gramage	5000	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	1270
TAM I	Manif. De descubrimiento	7316/01	Granted	G. Vargas Gei	2969	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	762
Olguin II	Manif. De descubrimiento	7328/01	Granted	G. Vargas Gei	2952	There is no expiration as long as the title holder fulfills the requirements set by the Mining Code	762
SANTO DOMINGO - San Juan Province							
Cateo 1	Cateo	414-765-R-04	Application	R. Gramage	496.80	The expiration date can be set once the cateo is granted	There is no canon required
Cateo 2	Cateo	414-1213-R-05	Application	R. Gramage	500	The expiration date can be set once the cateo is granted	There is no canon required
Cateo 3	Cateo	414-1336-R-05	Application	R. Gramage	500	The expiration date can be set once the cateo is granted	There is no canon required
Cateo 4	Cateo	1124-0144-G-06	Application	R. Gramage	1458	The expiration date can be set once the cateo is granted	There is no canon required
Cateo 5	Cateo	1124-0367-G-06	Application	R. Gramage	1940	The expiration date can be set once the cateo is granted	There is no canon required
Cateo 6	Cateo	1124-0368-G-06	Application	R. Gramage	2155	The expiration date can be set once the cateo is granted	There is no canon required
Cateo 7	Cateo	1124-0385-G-06	Application	R. Gramage	5000	The expiration date can be set once the cateo is granted	There is no canon required
SALAR OLAROSZ - Jujuy Province							
	Cateo	Expedientes 257-R-2004	Granted	S. Rodriguez	1999.92	The cateo has been granted. However, the term for the expiration begins once the concession is notified to the holder of the title. This has not happened yet.	Under the contract terms, the canon is paid by the holder of the title
	Cateo	Expedientes 258-R_2004	Granted	S. Rodriguez	996.42	The cateo has been granted. However, the term for the expiration begins once the concession is notified to the holder of the title. This has not happened yet.	Under the contract terms, the canon is paid by the holder of the title
	Cateo	Expedientes 390-R-2005	Application	S. Rodriguez	2497.87	The expiration date can be set once the cateo is granted	Under the contract terms, the canon is paid by the holder of the title
	Cateo	Expedientes 391-R-2005	Application	S. Rodriguez	1992.97	The expiration date can be set once the cateo is granted	Under the contract terms, the canon is paid by the holder of the title

* This includes only the annual rental payable to the provincial government. Any expenditure required under, or incidental to, a work program will be additional.

** Does not include any minimum expenditure requirements in respect of the Salari Olarosz tenements under the terms of the Option Agreements.

*** The exchange rate is US\$1 = ARG\$3.15

8

ADDITIONAL INFORMATION

Rights and Liabilities attaching to Shares

The following is a summary of the more important rights and liabilities attaching to the Shares as detailed in the Company's Constitution. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of the Shares. A copy of the Company's Constitution is lodged with ASIC and may be obtained from or inspected at an office of ASIC or the Company's registered office during business hours.

Share Capital

All issued Shares rank equally in all respects.

Voting Rights

At a general meeting of the Company, every shareholder present in person, by an attorney, representative or proxy has one vote on a show of hands and on a poll, one vote for every Share held, and for every Partly Paid Share held, a fraction of a vote equal to the proportion which the amount paid up bears to the total issue price of the contributing ordinary share. Where there is an equality of votes, the chairperson has a casting vote.

Dividend Rights

Subject to the rights of holders of shares issued with any special or preferential rights (at present there are none), the profits of the Company which the Directors may from time to time determine to distribute by way of dividend are divisible among the shareholders in proportion to the Shares held by them respectively, irrespective of the amount paid up (not credited) as paid up on them.

Rights on Winding-Up

Subject to the rights of holders of shares with special rights in a winding-up (at present there

are none), on a winding-up of the Company all assets which may be legally distributed amongst the members will be distributed in proportion to the shares held by them respectively, according to the amount paid up or credited as paid up on the share.

Transfer of Shares

Shares may be transferred by instrument in any form which complies with the Company's constitution, the Corporations Act, ASX Listing Rules and ASTC Settlement Rules.

Shares may be transferred by such means in accordance with ASX Listing Rules and the ASTC Settlement Rules. The Directors may refuse to register a transfer of shares only in those circumstances permitted by the Company's constitution, ASX Listing Rules and ASTC Settlement Rules.

Calls on Shares

Where shares are issued as partly paid, the Directors may make calls upon the holders of those shares to pay the whole of or a portion of the balance of the issue price. If a shareholder fails to pay a call or instalment of a call, then subject to the Corporations Act and ASX Listing Rules, the shares in respect of the call may be forfeited and interest and expenses may be payable in accordance with the Company's constitution, the Corporations Act and ASX Listing Rules or proceedings taken to recover the amount unpaid.

Further Increases in Capital

The allotment and issue of any new shares is under the control of the Directors and, subject to any restrictions on the allotment of shares imposed by the Company's constitution, ASX Listing Rules or the Corporations Act, the Directors may allot, issue or grant options over or otherwise dispose of those shares to such persons, with such rights or restrictions as they may from time to time determine.

Variation of Rights Attaching to Shares

Where shares of different classes are issued, the rights attaching to the shares of a class (unless otherwise provided by their terms of issue) may only be varied by a special resolution passed at a separate general meeting of the holders of those shares of that class, or with the written consent of the holders of at least three quarters of the issued shares of that class.

General Meeting

Each shareholder will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to shareholders under the Company's constitution, the Corporations Act and ASX Listing Rules.

Terms and Conditions of Existing Options

Holders of Options are entitled to subscribe for and be allotted one ordinary Share in the capital of the Company on the terms set out below. These terms also apply to the Broker Performance Options which will be issued to the Underwriter upon successful listing of the company on the ASX.

Shares issued on Options exercise

Each Option entitles the Optionholder to subscribe for one new Share upon exercise of the Option and payment of the Exercise Price.

Option period

The Options are exercisable at any time prior to 31 December 2010 (Expiry Date) by completing the Option Exercise Form and delivering it together with the payment for the number of Shares in respect of which the Options are exercised to the registered office of the Company.

Exercise price

The exercise price of the Options is \$0.25 (25 cents) per Option.

Transferability

Subject to the Corporations Act, the ASX Listing Rules (if appropriate at the time) and the Constitution of the Company, Options are transferable.

Class of Share

All ordinary fully paid Shares issued upon exercise of Options will rank *pari passu* in all respects with the Company's then issued ordinary fully paid Shares. The Company may apply for Official Quotation by ASX of all Shares issued upon exercise of Options, subject to satisfaction of any applicable restriction requirements.

Participation Rights

There are no participating rights and entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options except for the issue of bonus shares. The Company will ensure that Option holders will be allowed at least 10 business days notice to allow for the conversion

of Options prior to the Record Date in relation to any offer of securities made to shareholders.

Reconstructions

In the event of any reconstruction or reorganisation of capital (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, rights of the holders of the Options, the number of Options and/or the exercise price of the Options shall be changed to the extent necessary to comply with the ASX Listing Rules (if applicable at the time) applying to the reorganisation of capital at the time of the reorganisation.

Material Contracts

The Board considers that certain agreements relating to the Company are significant to the Offer, the operations of the Company or may be relevant to investors. A description of material contracts or arrangements, together with a summary of the agreements is set out below.

Tenement Purchase Agreements

The Company has entered into three agreements through which it has acquired an option to purchase the Tenements (Option Agreements) from the existing holders (Holders). One of the Option Agreements have

been entered into by the Company directly and two by Orocobre Sociedad Anonima, the Company's Argentine subsidiary.

Each of the Option Agreements provides for the Company to pay option fees at certain intervals during the term of the option. The Company may exercise the option at any time during the option period. Upon exercise of the option:

- the Company is to pay the Holder a purchase payment less the total value of the option fees then paid; and
- the Holder is to transfer its interest in the relevant Tenements to the Company.

The Company is granted the right to explore or mine (as applicable) the Tenements under each Option during the Option period, provided that it keeps the Tenements in good standing by meeting any minimum expenditure commitments.

Under the terms of one of the Option Agreements, that granted by Silvia Rodriguez and Carlos Zimmerman, the Holder has an additional entitlement to receive 1.2% of net smelter returns. However, the Company may buy out this entitlement for a lump sum payment of US\$500,000.

The key terms of each Option Agreement are set out in the table below.

Project	Santo Domingo	Salar Olaroz	La Pampa
Grantor(s)	Rolando Gramage	Silvia Rodriguez and Carlos Zimmerman	Rolando Gramage Gaston Vargas Gei Jose Louis Racconto
Grantee	Orocobre Sociedad Anonima (wholly owned subsidiary of Orocobre Limited)	Orocobre Limited	Orocobre Sociedad Anonima (wholly owned subsidiary of Orocobre Limited)
Execution date	17 October 2006	27 October 2006	3 April 2006
Tenure Description	Cateos: 414-765-R-04 414-13-R-05 414-1336-R-05 1124-0144-G-06 1124-0367-G-06 1124-0368-G-06 1124-0385-G-06	Cateos: Expedientes 257-R-2004 Expedientes 258-R_2004 Expedientes 390-R-2005 Expedientes 391-R-2005	Cateos: 14252/06, 5229/96, 3514/99, 4282/99, 7166/98, 0710/98, 7436/98, 5314/97, 6287/97, 4256/97, 15959/06, 7164/98, 7401/06, 15960/06, 4249/97, 2020/01, 7316/01, 7328/01, 6450/00 Mina: 5229/96
Purchase Period	52 months	63 months	60 months
Purchase price	US\$750,000	US\$1,820,000	US\$1,200,000
Periodic Payments	\$10,000 on execution and payments every 6 months thereafter commencing at \$10,000 and increasing to \$35,000	\$40,000 on execution, \$40,000 after 9 months and payments every 6 months thereafter commencing at \$40,000 an increasing to \$120,000 with a payment of \$1,000,000 at the end of the term	\$15,000 on execution and payments every 6 months thereafter commencing at \$15,000 and increasing to \$47,500 with a payment of \$430,000 at the end of the term
Amount paid to date	\$20,000	\$80,000	\$30,000
Minimum expenditure	Minimum Departmental expenditure necessary to maintain tenement standing	US\$40,000 per annum	Minimum Departmental expenditure necessary to maintain tenement standing

For personal use only

Underwriting Agreement

On 5 October 2007, the Company and Martin Place Securities (Underwriter) entered into an underwriting agreement (Underwriting Agreement), pursuant to which the Underwriter has agreed to underwrite the Minimum Subscription, namely the issue of the first 16 million Shares at an issue price of \$0.25 per Share (Underwritten Shares) to raise a minimum sum of \$4 million ("Underwritten Amount").

The Underwriter will be paid a management fee of 1,000,000 Broker Performance Options, a fee of 1% of all funds raised, an underwriting commission of 5% of the Underwritten Amount and a capital raising commission of 5% of the funds raised by the Underwriter above the Underwritten Amount. The Underwriter will also be reimbursed for its costs and expenses associated with the underwriting.

The Underwriter may terminate the Underwriting Agreement immediately if any one or more of the following events occurs, and in the Underwriter's opinion, the event has or could have a materially adverse effect on the success of the Offer:

- (i) the All Ordinaries Index Number or the Dow Jones Industrial Average is at any time more than 10.0% below its level as at the close of business on the business day immediately preceding the date of the Underwriting Agreement;
- (ii) a material new circumstance has arisen since the Prospectus was lodged that would in the reasonable opinion of the Underwriter have been required by sections 710 or 711 of the Corporations Act to be included in the Prospectus if it had arisen before the Prospectus was lodged;
- (iii) the Company makes default under or is in breach of any of its material obligations under the Underwriting Agreement and following consultation between the Company and the Underwriter, that failure is not remedied within five business days afterwards;
- (iv) any warranty or representation by the Company in the Underwriting Agreement ceases to be true in any material respect and, following consultation between the Company and the Underwriter, the matters rendering the warranty untrue are not remedied within five business days afterwards;

(v) any material adverse change occurs in the financial position of the Company or any subsidiary;

(vi) any director or officer of the Company named in the Prospectus dies or is charged with or convicted of an indictable offence;

(vii) any material statement in the Prospectus is found to be or becomes misleading or deceptive or there is found to be a material omission from the Prospectus of material required by sections 710 or 711 of the Corporations Act;

(viii) the adoption or announcement by or on the authority of the government of the Commonwealth of Australia of:

(a) any future change in fiscal or monetary or taxation policy which would materially and adversely affect companies generally or the Company in particular or investment in stocks and shares in Australia including but not limited to any change which is likely to materially and adversely affect interest rates (to a degree of a change of 1% or more in Reserve Bank interest rates) not already announced or anticipated as at the date of the Underwriting Agreement; or

(b) any law or prospective law or other measure having the effect of restraining capital issues, corporate profits or foreign investment, and which, in either case, would materially and adversely affect the issue;

(ix) any person who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;

(x) any information supplied at any time by the Company (or any person on its behalf) to the Underwriter in respect of any aspect of the Offer is or becomes false or misleading;

(xi) any of the results of investigations of the Company or of any subsidiary conducted pursuant to the Company's due diligence program and verification material is or becomes false or misleading;

(xii) any material contravention by the Company or an officer of any of them of any provision of the Corporations Act, or the ASX Listing Rules or any requirement of ASX or the ASIC or any governmental agency;

(xiii) a resolution is passed or an order made by a court of competent jurisdiction for the winding up of the Company or any subsidiary, other than an order for the purpose of reconstruction or amalgamation made with the prior consent of the Underwriter;

(xiv) a receiver or receiver and manager is appointed to all or any part of the assets or undertaking of the Company or any subsidiary;

(xv) the Company or any subsidiary enters into any scheme of arrangement with its creditors or any class of them or indicates its intentions to do so;

(xvi) the Company or any subsidiary suspends payments of its debts or is unable to pay its debts within the meaning of the Corporations Act;

(xvii) the Company or any subsidiary is placed under official management or an official manager is appointed;

(xviii) a liquidator or provisional liquidator is appointed to the Company or any subsidiary;

(xix) an inspector is appointed pursuant to the Corporations Act to investigate all or any part of the affairs of the Company or any subsidiary;

(xx) there is an outbreak of hostilities (whether or not war has been declared) not presently existing or a major escalation in existing hostilities occurs involving any one or more of the Commonwealth of Australia, the United Kingdom, the United States of America, European Union, the Peoples Republic of China, Taiwan, Japan and Indonesia;

(xxi) the Company or any party having power to do so appoints a voluntary administrator to the Company or any subsidiary or any part of the business or asset of the Company becomes subject to any form of administration;

(xxii) any waiver or exemption to the ASX Listing Rules granted by ASX being illegal, improper or ultra vires ASX power to grant such waiver or exemption; or

(xxiii) on or before four business days after the Closing Date, the Company fails to deliver to the Underwriter a duly signed certificate certifying that, to the best of the knowledge, information and belief of the Company:

(a) no event set out above has occurred;

(b) the Company has complied with all obligations on its part to be performed in respect of the Offer, under the Underwriting Agreement, the Corporations Act and the ASX Listing Rules;

(c) the Company is not otherwise in breach of any provisions of the Underwriting Agreement;

(d) the Company is not aware of nor has it received any notice of any breach of any term of any material contract referred to in the Prospectus;

(e) the Company is not aware of nor has it received any notice or demand from any government statutory or regulatory authority, or a party to any contract or claim which could adversely affect the rights of the Company in relation to any mining right, lease or tenement or any application made for any mining right, lease or tenement; and

(f) that all mining, exploration or prospecting rights, leases and tenements referred to in the Prospectus are current and all conditions attached thereto and payments due on them have been satisfied.

The Company has agreed to accept full responsibility and assume all liability in relation to the Offer, the form and content of the Prospectus, any advertising and publicity approved and authorised by the Company and any claims and proceedings that may arise out of or in connection with such matters. In addition, the Company has agreed to indemnify and keep indemnified the Underwriter in relation to, amongst other things, any breach of the Underwriting Agreement, any statement, misstatement, representation, non-disclosure, inaccuracy or misleading or deceptive material in the Prospectus, failure by the the Company to rectify material omissions from the Prospectus and the failure to lodge a supplementary prospectus where necessary.

Deeds of Access, Indemnity & Insurance

The Company has entered into deeds of access, indemnity and insurance with each of the Directors, under which the Company has agreed to:

(a) continue to provide the Directors with access to certain relevant information after they cease to be directors;

(b) to the extent permitted by law, indemnify the Directors against liabilities incurred in their capacity as directors of the Company and its subsidiaries; and

(c) maintain certain Directors' liability insurance in respect of the Directors, both during and after the period they are directors.

Director Remuneration

Executive Remuneration

The Company's Executive Directors, Neil Stuart and Richard Seville, have entered into Executive Employment Agreements for a minimum period of 12 months from the Company's listing on the ASX.

The contracts provide for Mr Stuart and Mr Seville to work for the Company for 50% of their available time. They will be remunerated at \$125,000 per annum. Additional days worked will be paid on a pro-rata basis.

The Executive Employment Agreements also provide for:

- the protection of the Company's confidential information and intellectual property rights; and
- the Executive Directors to be restrained from carrying on, whether directly or indirectly, business in competition with the Company.

Interests of Advisers for Disclosure

Except as set out in this Prospectus, no person named in this Prospectus as performing a function in a professional, expert, advisory or other capacity in connection with the preparation or distribution of this Prospectus:

- has any interest, or has had any interest during the last two years, in the formation or promotion of the Company or in property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; and
- no amount has been paid, or agreed to be paid and no benefit has been given, or agreed to be given, to any person in connection with the services provided by the person in connection with the formation or promotion of the Company or the Offer.

Advisers' interests

Martin Place Securities Pty Ltd has acted as Underwriter and Broker to the Offer. The Company has agreed to pay a fee of 1% of the total proceeds of the Offer for these services to the date of this Prospectus plus a 5% fee for the underwritten amount and funds raised additional to that.

Robertsons Audit & Assurance Pty Ltd has prepared the Independent Report on Financial Information. The Company has paid, or agreed to pay, approximately \$8,000 for these services to the date of this Prospectus. Further amounts may be paid in accordance with its time-based charges.

Hemming + Hart has acted as legal adviser to the Company in relation to the Offer, has advised the Company generally in relation to its admission to the Official List and has also performed work in relation to due diligence enquiries. The Company has paid, or agreed to pay, approximately \$30,000 for these services to the date of this Prospectus. Further amounts may be paid in accordance with its time-based charges.

Minnelex Pty Limited has acted as Independent Geologists to the Offer and has prepared the Independent Geological Report set out in Section 6 of this Prospectus. Minnelex Pty Limited will be paid an amount of \$6,000 in respect of this service.

Consents

The following persons have given and have not, before the date of this Prospectus, withdrawn their consent to:

- Being named in the Prospectus in the form and context in which they are named;
- the inclusion of their respective reports or statements noted next to their names and the references to those reports or statements in the form and context in which they are included in the Prospectus; and
- the inclusion of other statements in the Prospectus which are based or referable to statements made in those reports or statements, or which are based on or referable to other statements made by those persons in the form and context in which they are included;

For personal use only

Name of Company	Named as	Reports or Statements
Martin Place Securities Pty Ltd	Underwriter and Broker to the Issue	No
Registries Limited	Share Registry	No
Robertsons Audit & Assurance Pty Ltd	Independent Accountant	Section 6, Independent Accountant's Report
Hemming+Hart	Legal adviser to the Offer	No
Estudio Juridico Notarial	Tenure Report	Section 7
Minnelex Pty Ltd	Independent Geologist Report	Section 5

Disclaimers

Each person named above as having given its consent to the inclusion of a statement or being named in the Prospectus:

- does not make, or purport to make, any statement in this Prospectus or any statement on which a statement in this Prospectus is based other than, in the case of a person referred to above as having given their consent to the inclusion of a statement or report, a statement or report included in this Prospectus with the consent of that person; and
- to the maximum extent permitted by the law, expressly disclaims and takes no responsibility for any part of this Prospectus, other than a reference to its name and, in the case of a person having given their consent to the inclusion of a statement, any statement or report which has been included in this Prospectus with the consent of that party.

Foreign Ownership Restrictions

Acquisitions of interests in Shares in Australian companies such as the Company by foreign persons are subject to review and approval by the Treasurer of the Commonwealth of Australia under the Foreign Acquisitions and Takeovers Act 1975 (Cth). That statute applies to any acquisition of 15% of more of the shares of an Australian company or any acquisition which results in one foreign person or group of associated foreign persons controlling 15% of more of total voting power. In addition, the statute applies to any acquisition by non associated foreign persons resulting in foreign persons controlling, in the aggregate, 40% or more of total voting power or ownership. Investors to whom this may apply should consult their professional advisers to determine whether the Foreign Acquisitions and Takeovers

Act 1975 (Cth) may affect their holding of shares.

Interests of Directors

The Directors of the Company or their associates have a beneficial interest in the following Shares and Options in the Company at the date of this Prospectus.

Director	Shares		Options	
	Direct	Indirect*	Direct	Indirect
Neil Stuart	350,001	2,624,884	-	2,000,000
Richard Seville	Nil	1,500,000	-	2,000,000
Paul Crawford	1	2,246,667	-	1,000,000
Dennis O'Neill	1	1,500,000	-	1,000,000
Jack Tan	Nil	2,000,000	-	1,000,000

* Indirect holdings held by associates of the Directors

Other than set out above or elsewhere in this Prospectus:

- No Director or proposed Director of the Company and no firm in which a Director or proposed Director of the Company is or was at the relevant time a partner, has or has had in the two years before lodgement of this Prospectus, any interest in the promotion of, or in any property proposed to be acquired by, the Company.
- No amounts, whether in cash or Shares or otherwise, have been paid or agreed to be paid to any Director or proposed Director of the Company (or to any firm in which he is or was a partner) either to induce him to become, or to qualify him as a Director, or otherwise for services rendered by him or by the firm in connection with the promotion or formation of the Company.

Payments to Directors

Under the Company's Constitution the total amount of remuneration paid to all Directors as director fees must not be increased unless authorised by the company in General Meeting. This does not apply to remuneration payable to any Director under any executive service contract with the Company. Directors are entitled to be reimbursed for travelling and other expenses incurred in attending meetings or in relation to the business of the Company. The Constitution of the Company provides that the Directors may be paid, as remuneration for their services, a sum determined from time to time by the Company's Shareholders in general meeting, with that sum to be divided amongst the Directors in such manner and proportion as they agree. The maximum aggregate amount for payment to all Directors as director fees is currently \$200,000 per annum.

The total amounts received by current Directors as fees and executive service remuneration in the past two years (30 June 2006 and 30 June 2007) are:

Director	2006	2007
Neil Stuart	Nil	Nil
Richard Seville	Nil	Nil
Paul Crawford	Nil	Nil
Dennis O'Neill	Nil	Nil
Jack Tan	Nil	Nil

The Company has agreed to pay the following amounts to entities associated with Directors in relation to professional services provided over the last 2 years:

During the period the Company engaged Australian Geoscientists Pty Ltd, an entity controlled by Mr Stuart, to provide geological consulting services. Professional fees for providing these services for the 2007 year totalled \$15,000 (2006: \$ 39,600) and are recognised current liabilities at 30 June 2007. From 30 June 2007 until the date of this Prospectus a further amount of \$20,000 has been accrued by the Company for services by Australian Geoscientists Pty Ltd but has not been paid.

During the period the Company engaged EM Enterprises Pty Ltd, an entity controlled by Mr O'Neill, to provide technical and other services to the parent entity. Professional fees for the provision of these services for the year totalled \$3,000 (2006: \$ 5,000) and are recognised as current liabilities at 30 June 2007.

During the period the Company engaged Richard Seville & Associates Pty Ltd, an entity controlled by Mr Seville, to provide technical services. Professional fees for the provision of these services for the year totalled \$56,000 (2006: nil), \$6,000 of which is recognised as current liabilities at 30 June 2007. From 30 June 2007 until the date of this Prospectus a further amount of \$25,000 has been accrued by the Company for services by Richard Seville & Associates Pty Ltd but has not been paid.

During the period the Company engaged Cambridge Business & Corporate Services, an entity controlled by Mr Crawford, to provide accounting, company secretarial, and other services. Professional fees for the provision of these services for the year totalled \$15,000 (2006: \$ 15,000) and are recognised as current liabilities at 30 June 2007. From 30 June 2007 until the date of this Prospectus a further amount of \$15,000 has been accrued by the Company for services by Cambridge Business & Corporate Services but has not been paid.

The Corporations Act limits the extent to which insurance cover and/or indemnities may be provided or given to Directors in relation to claims arising out of their discharge of their duties as Directors. The Company's Constitution does not provide any additional restrictions on the provision of insurance or indemnity.

Board fees for non-executive Directors are proposed at \$20,000 per annum, accruing from the Company's listing on the ASX and payable on a quarterly basis.

Corporate Governance

Incorporation of Corporate Governance Material

The Directors are responsible for protecting the rights and interests of the shareholders through the implementation of sound strategies and action plans and the development of an integrated framework of controls over the Company's resources, functions and assets.

General

The Company will have formally constituted committees of the Board of Directors.

The Directors consider that the Company is of a size that its affairs are of such complexity as to justify the formation of special or separate committees. The Board as a whole is able to address the governance aspects of the Company's activities and ensure that it adheres to appropriate ethical standards.

This information below outlines the main corporate governance policies which the Directors have adopted.

Composition of the Board

The Board comprises five Directors. The names, qualifications and relevant experience of each Director are set out in section 3 of this Prospectus. There is no requirement for any Director's shareholding qualification.

Board policy is that the Board will constantly review and monitor its performance. As the Company's activities increase in size, nature and scope, the size of the Board will be reviewed periodically and the Board may seek to appoint persons who, in the opinion of the Board will provide specialist expertise required for the Board to adequately perform its role.

Board Membership

The Board acts as a nomination committee. Members of the Board have been brought together to provide a blend of qualifications, skills and national and international experience required for managing a company operating within the mining industry.

Appointment and Retirement of Directors

The Company's Constitution provides that Directors are subject to retirement by rotation, by order of length of appointment. Retiring Directors are eligible for re-election by shareholders at the annual general meeting of the Company.

Duties of Directors

Directors are expected to accept all duties and responsibilities associated with the running of a public company, to act in the best interests of the Company and to carry out their duties and responsibilities with due care and diligence.

Directors are required to take into consideration conflicts when accepting appointments to other Boards. Accordingly, Directors wishing to accept appointment to other Boards must first seek approval from the Board, approval of which will not be unreasonably withheld.

Independent Professional Advice

The Board has determined that individual Directors may, in appropriate circumstances engage outside advisers at the Company's expense. The engagement of an outside adviser is subject to the prior approval of the Board, which will not be unreasonably withheld.

Compensation Arrangements and Remuneration Committee

The maximum aggregate amount payable to non-executive Directors as Directors' fees has been set at \$200,000 per annum. The Constitution provides that Director's fees can only change pursuant to a resolution at a general meeting.

The Company will establish a remuneration committee comprising two directors with the objective of maintaining and reviewing the Company's remuneration policies and practices and reporting to the Board on such matters.

The Board is responsible for reviewing and negotiating the compensation arrangements of senior executives and consultants.

Audit and Risk Management Committee

The Board will establish an audit and risk management committee comprising three

For personal use only

directors. The Company will adopt an Audit & Risk Management Charter setting out the composition, purpose, powers and scope of the audit and risk management committee as well as reporting requirements to the Board as a whole.

Internal Management Controls

The Company's main assets are located outside Australia. Control over the operations is exercised by its executive directors and exploration managers. Specific control measures have been implemented to manage the distribution of funds in Argentina in relation to activities undertaken there.

The Board also monitors the performance of outside consultants engaged from time to time to complete specific projects and tasks.

Identifying Significant Business Risks

The Board regularly monitors the operational and financial performance of the Company's activities. In conjunction with the Audit and Risk Management Committee, it monitors and receives advice on areas of operation and financial risk and considers strategies for appropriate risk management. All operational and financial strategies adopted are aimed at improving the value of the Company's Shares, however, the Directors recognise that mineral exploration and evaluation is inherently risky.

ASX Corporate Governance

To further enhance listed entities' disclosure of corporate governance issues, the ASX Corporate Governance Council (CGC) was established on 1 August 2002. The CGC was established for the purpose of setting an agreed set of corporate governance standards of best practice for Australian listed entities. The CGC has released its Principles of Good Corporate Governance and Best Practice Recommendations (ASX Guidelines) which will apply to the Company's financial statements upon listing on the ASX. The ASX Guidelines articulate ten (10) core principles that CGC believes underlie good corporate governance. The ASX Guidelines provide that a listed entity's Annual Report is required to disclose its main corporate governance practices and also the extent to which the entity complies with the ASX Guidelines and where it does not, to explain why.

The information below outlines the main corporate governance policies of the Company which the directors have adopted as well as addressing in some detail the ASX Guidelines.

Before referring to the specific principles set out in the ASX Guidelines and the steps being taken by the Company to comply with those, the following factors should be noted:

- Each of the Directors dedicates considerable time and effort to the affairs of the Company. The Directors manage to do so within busy schedules for other work and business commitments and as a consequence, the principal focus of their endeavours (while operating within a sound base for corporate governance) must necessarily be promotion of the Company's activities and improving shareholder value;
- Whilst following successful listing, the market capitalisation of the Company will be reasonably significant (approximately \$13 million at the Issue Price), the Company does not expect to be included within the ASX 200 upon listing. Accordingly, the ASX Guidelines will not automatically become binding on the Company. That said, the Company is committed to adopting corporate governance policies commensurate with its business activities and has adopted a formal Corporate Governance Charter, setting out the roles and responsibilities of the independent committees described above.

It is within the above context that the directors are establishing the appropriate processes to ensure that they are compliant with a number of ASX Guidelines on listing. In the context of those Guidelines, the directors make the following observations in relation to the Company's corporate governance status:

ASX Guidelines

Summary of Orocobre's position

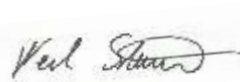
<i>Principle One Lay solid foundations for management and oversight</i>	The Company has two executive directors (Neil Stuart and Richard Seville) each subject to contracts regulating their roles with the Company, and who report to the board.
<i>Principle Two Structure Board to Add Value</i>	The Company has three Non-executive directors (Dennis O'Neill, Jack Tan and Paul Crawford) and a Board with extensive public company experience. These three Directors, although non-executive, are not independent either as they have shareholdings in the company or provide consulting.
<i>Principle Three Promote Ethical and Responsible Decision Making</i>	The Company will adopt both: A Corporate Ethics Policy regulating the duties of directors and their deals with the company (and Shares) both internally and externally; and A Corporate Code of Conduct regulating the Company's external dealings and dealings with Shareholders.
<i>Principle Four Safeguard Integrity in Financial Reporting</i>	The Company will establish a separately constituted Audit & Risk Management Committee. The Committee will comprise Dennis O'Neill, Jack Tan and Paul Crawford.
<i>Principle Five Make Timely and Balanced Disclosure</i>	The Company will define, under its Corporate Ethics Policy, an internal protocol for the reporting of material information to Shareholders and ASX.
<i>Principle Six Respect the Rights of Shareholders</i>	The Company is committed to all Shareholders and stakeholders having equal and timely access to material information regarding the operations and results of the Company. The Company will make regular ASX announcements and make these available on its website.
<i>Principle Seven Recognise and Manage Risk</i>	The Audit & Risk Management Committee has under its Charter responsibility for overseeing the Company's risk management and internal control framework and implementation of the processes to undertake and assess risk management and internal control compliance.
<i>Principle Eight Encourage Enhanced Performance</i>	The Company does not current have a formally constituted Nominations Committee. The Company Secretary, Paul Crawford, plays an integral role in monitoring the conduct of activities of the Board, as well as the dispatch of material to Board members.
<i>Principle Nine Remunerate Fairly and Responsibly</i>	A Remuneration Committee will be established which is charged with making recommendations as to all aspects of executive and non-executive director and management and committee remuneration packages. The Committee will comprise Dennis O'Neill and Jack Tan.
<i>Principle Ten Recognise the Legitimate Interests of Stakeholders</i>	The Company's Corporate Ethics Policy and Corporate Code of Conduct will set out the behaviour required of Directors, employees and contractors as appropriate and including the observance of legal and other compliance obligations that relate to the Company's activities from time to time.

Litigation

The Directors are not aware of any litigation of a material nature in progress, pending or threatened, which may significantly affect the financial position of the Company.

Authorisation

Each of the Directors of the Company has consented to the lodgement of the Prospectus with the ASIC.
Signed on the date of this Prospectus on behalf of the Company by:



Director



Director

For personal use only

9

DEFINITIONS

A\$ or \$	The currency of Australia.
Application	A valid application made to subscribe for a specified number of Shares in accordance with the Offer.
Application Form	The application form enclosed with and forming part of this Prospectus.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited, ABN 98 008 624 691.
Board	the board of Directors of the Company.
Broker	Any ASX participating organisation
Broker Performance Options	1 million options, issued to the Underwriter at an exercise price of \$0.25. Expiry on 31/12/10, pursuant to the Underwriting Agreement described in Section 8.
Business Day	has the meaning ascribed to it in the Listing Rules.
CHESS	Clearing House Electronic Subregister System.
Closing Date	5.00pm EST on 19 November, 2007 (subject to the right of the Directors to close the Offer earlier or to extend this date without notice).
Company or Orocobre	Orocobre Limited - ABN 11 112 589 910 .
Constitution	The Constitution of the Company.
Corporations Act	Corporations Act 2001 (Commonwealth).
Cth	Commonwealth
Directors	Members of the Board of Directors of the Company.
EST	Australian Eastern Standard Time.
g/t	Grams per tonne
Issue	the issue of Shares in Orocobre Limited according to this Prospectus
Listing Rules	the official listing rules of the ASX.
Minimum Application Amount	\$2,000
Offer	25,000,000 fully paid Shares at \$0.25 each
Options	entitlements to subscribe for Shares in the Company, the terms and conditions of which are set out in Section 8
Opening Date	23 October, 2007
Prospectus	This Prospectus
Prospectus Lodgement Date	15 October, 2007
Quotation	quotation of the Shares on the ASX.
Shares	fully paid ordinary shares in the capital of the Company
Share Registry	Registries Limited
Share Holder	a person registered on the Company's Share register
Underwriter	Martin Place Securities Pty Ltd

Note: Technical definitions are in Section 5

APPLICATION FORM



OFFER CLOSES 19 November 2007

For the Offer of Shares at an issue price of 25 cents per Share in Orocobre Limited.

All Application Forms must be accompanied by payment of 25 cents per Share.

Please use BLOCK LETTERS and refer to the guide overleaf for the correct forms of registrable names.

PLEASE READ ALL INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM

FOR REGISTRY USE ONLY	
BROKER'S STAMP	
Broker's Code	Adviser's Code

For personal use only

A

I/We apply for , , Shares in Orocobre Limited at 25 cents per Share.
(Minimum of 8 000 Shares and then in multiples of 1000 Shares)

B

I/We lodge in full the Application Money of A\$, , . 0 0

C

Title	Given Names or Company Name	Surname / ACN / ABN	
<input type="text"/>	<input type="text"/>	<input type="text"/>	Applicant # 1

D

Title	Joint Applicants or Designated Account - e.g. <Super Fund Account>	
<input type="text"/>	<input type="text"/>	Applicant # 2
<input type="text"/>	<input type="text"/>	Applicant # 3

E

Full Postal Address
Number / Street or PO Box Number

Suburb / Town **State** **Postcode**

F

Contact Name	Telephone No. - Business Hours	Email Address
<input type="text"/>	<input type="text"/>	<input type="text"/>

G

Chess Details HIN - Existing Chess Participants Only

This Application Form does not have to be signed unless payment is by Credit Card.

H

Cheque Details Cheques should be made payable to "Orocobre Limited Share Offer Account" and crossed "Not Negotiable"

Drawer	Bank	BSB No.	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

I

By lodging this Application Form and the Application Money I/We hereby:

- (1) declare that I/We have received a copy of the Prospectus accompanied by or attached to this Application Form
- (2) declare that I/We have read the Prospectus to which this Application Form relates
- (3) declare that this Application Form has been completed in accordance with the instructions on the reverse side of this Application Form
- (4) apply for the number of Shares shown in this Application Form
- (5) agree to be bound by the terms and conditions in the Prospectus and by the Constitution of Orocobre Limited
- (6) Authorise the Directors to complete or amend this Application Form where necessary to correct any errors or omissions.

HOW TO COMPLETE THE APPLICATION FORM

Forward your completed application together with the Application Money to:

By mail: **Orocobre Limited Share Offer** or: **Orocobre Limited Share Offer**
c/- Registries Limited c/- **Orocobre Limited**
PO Box R67 **GPO Box 3233**
Royal Exchange **Brisbane QLD 4001**
Sydney NSW 1223

Applications must be received by the Closing Date.

Please complete all relevant sections of the Application Form using BLOCK LETTERS.

- A Enter the NUMBER OF SHARES you wish to apply for. Applications must be for the minimum of 8,000 shares and thereafter multiples of 1000 as set down in Section 1 of the Prospectus.
- B Enter the TOTAL AMOUNT of Application Money payable. To calculate the amount, multiply the number of shares applied for by the amount per share.
- C Enter the FULL NAME(S) and TITLES(S) of all legal entities that are to be recorded as the registered holder(s). Refer to the name standards below for guidance on valid registration.
- D If JOINT APPLICANTS are applying or an ACCOUNT DESIGNATION is required, complete boxes C and D.
- E Enter the POSTAL ADDRESS for all communications from the Company. Only one address can be recorded.
- F Enter the NAME and TELEPHONE NUMBER for a contact person that the registry can speak to if they have any queries regarding this application.
- G If you are sponsored in CHESS by a stockbroker or other CHESS participant enter your Holder Identification Number (HIN).
- H Complete cheque details as requested. Payments must be made in Australian Currency and cheques must be drawn on an Australian Bank. Cheques or bank drafts must be made payable to "**Orocobre Limited Share Offer Account**" and crossed "**Not Negotiable**". Cheques not properly drawn will be rejected. Cheques will generally be deposited on the day of receipt. If cheques are dishonoured the application will be rejected.
- I Pay by your credit card by completing and signing the credit card payment authorisation.
- J Before completing the Application Form the applicant(s) declares that he or she has read the Prospectus to which this application relates. The applicant(s) agree(s) that this application is for shares in Orocobre Limited upon and subject to the terms of the Prospectus, agree(s) to take any number of shares equal to or less than the number of shares indicated in box A that may be issued to the applicant(s) pursuant to the Prospectus, and declare(s) that all details and statements made are complete and accurate.

This Application Form does not have to be signed unless payment is by Credit Card.

Ready Reckoner

This ready reckoner will help you calculate the money you need to pay at 25 cents per Share

Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
8 000	- \$2 000	10 000	- \$ 2 500	20 000	- \$ 5 000	25 000	- \$ 6 250	30 000	- \$ 7 500
35 000	- \$8 750	40 000	- \$10 000	50 000	- \$12 500	100 000	- \$25 000	200 000	- \$50 000

Correct Forms of Registrable Names

Note that ONLY legal entities are allowed to hold Shares. Applications must be in the name(s) of natural persons, companies or other legal entities acceptable to the Company. At least one name given in full and the surname is required for each natural person. Application Forms cannot be completed by persons under 18 years of age. Examples of the correct forms of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full not initials	Mr John Alfred Smith	JA Smith
Company Use the Company's full title not abbreviations	Ace Business Company Pty Ltd	ABC P/L or ABC Co
Joint Holdings Use full and complete names	Mr Peter Robert Williams Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts Use the trustee(s) personal name(s)	Mrs Susan Jane Smith <Sue Smith Family Account>	Sue Smith Family Trust
Deceased Estates Use the executor(s) personal name(s)	Ms Jane Mary Smith Mr Frank William Smith <Estate John Smith Account>	Estate of late John Smith or John Smith deceased
Partnerships Use the partners personal names Use the Partnership Tax File Number	Mr John Robert Smith Mr Michael John Smith <John Smith and Son Account>	John Smith and Son
Clubs/ Unincorporated Bodies/ Business names Use office bearer(s) personal name(s)	Mr Michael Peter Smith <ABC Tennis Association Account>	ABC Tennis Association
Superannuation Funds Use the names of the trustee(s) of the fund	Jane Smith Pty Ltd <Super Fund Account>	Jane Smith Pty Ltd Superannuation Fund

APPLICATION FORM



OFFER CLOSES 19 November 2007

For the Offer of Shares at an issue price of 25 cents per Share in Orocobre Limited.

All Application Forms must be accompanied by payment of 25 cents per Share.

Please use BLOCK LETTERS and refer to the guide overleaf for the correct forms of registrable names.

PLEASE READ ALL INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM

FOR REGISTRY USE ONLY	
BROKER'S STAMP	
Broker's Code	Adviser's Code

For personal use only

A

I/We apply for , , Shares in Orocobre Limited at 25 cents per Share.
(Minimum of 8 000 Shares and then in multiples of 1000 Shares)

B

I/We lodge in full the Application Money of A\$, , .

C

Title	Given Names or Company Name	Surname / ACN / ABN	
<input type="text"/>	<input type="text"/>	<input type="text"/>	Applicant # 1

D

Title	Joint Applicants or Designated Account - e.g. <Super Fund Account>	
<input type="text"/>	<input type="text"/>	Applicant # 2
<input type="text"/>	<input type="text"/>	Applicant # 3

E

Full Postal Address
Number / Street or PO Box Number

Suburb / Town **State** **Postcode**

F

Contact Name	Telephone No. - Business Hours	Email Address
<input type="text"/>	<input type="text"/>	<input type="text"/>

G

Chess Details HIN - Existing Chess Participants Only

This Application Form does not have to be signed unless payment is by Credit Card.

H

Cheque Details Cheques should be made payable to "Orocobre Limited Share Offer Account" and crossed "Not Negotiable"

Drawer	Bank	BSB No.	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

I

By lodging this Application Form and the Application Money I/We hereby:

- (1) declare that I/We have received a copy of the Prospectus accompanied by or attached to this Application Form
- (2) declare that I/We have read the Prospectus to which this Application Form relates
- (3) declare that this Application Form has been completed in accordance with the instructions on the reverse side of this Application Form
- (4) apply for the number of Shares shown in this Application Form
- (5) agree to be bound by the terms and conditions in the Prospectus and by the Constitution of Orocobre Limited
- (6) Authorise the Directors to complete or amend this Application Form where necessary to correct any errors or omissions.

HOW TO COMPLETE THE APPLICATION FORM

Forward your completed application together with the Application Money to:

By mail: **Orocobre Limited Share Offer** or: **Orocobre Limited Share Offer**
c/- Registries Limited **c/- Orocobre Limited**
PO Box R67 **GPO Box 3233**
Royal Exchange **Brisbane QLD 4001**
Sydney NSW 1223

Applications must be received by the Closing Date.

Please complete all relevant sections of the Application Form using BLOCK LETTERS.

- A Enter the NUMBER OF SHARES you wish to apply for. Applications must be for the minimum of 8,000 shares and thereafter multiples of 1000 as set down in Section 1 of the Prospectus.
- B Enter the TOTAL AMOUNT of Application Money payable. To calculate the amount, multiply the number of shares applied for by the amount per share.
- C Enter the FULL NAME(S) and TITLES(S) of all legal entities that are to be recorded as the registered holder(s). Refer to the name standards below for guidance on valid registration.
- D If JOINT APPLICANTS are applying or an ACCOUNT DESIGNATION is required, complete boxes C and D.
- E Enter the POSTAL ADDRESS for all communications from the Company. Only one address can be recorded.
- F Enter the NAME and TELEPHONE NUMBER for a contact person that the registry can speak to if they have any queries regarding this application.
- G If you are sponsored in CHESS by a stockbroker or other CHESS participant enter your Holder Identification Number (HIN).
- H Complete cheque details as requested. Payments must be made in Australian Currency and cheques must be drawn on an Australian Bank. Cheques or bank drafts must be made payable to "**Orocobre Limited Share Offer Account**" and crossed "**Not Negotiable**". Cheques not properly drawn will be rejected. Cheques will generally be deposited on the day of receipt. If cheques are dishonoured the application will be rejected.
- I Pay by your credit card by completing and signing the credit card payment authorisation.
- J Before completing the Application Form the applicant(s) declares that he or she has read the Prospectus to which this application relates. The applicant(s) agree(s) that this application is for shares in Orocobre Limited upon and subject to the terms of the Prospectus, agree(s) to take any number of shares equal to or less than the number of shares indicated in box A that may be issued to the applicant(s) pursuant to the Prospectus, and declare(s) that all details and statements made are complete and accurate.

This Application Form does not have to be signed unless payment is by Credit Card.

Ready Reckoner

This ready reckoner will help you calculate the money you need to pay at 25 cents per Share

Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
8 000	- \$2 000	10 000	- \$ 2 500	20 000	- \$ 5 000	25 000	- \$ 6 250	30 000	- \$ 7 500
35 000	- \$8 750	40 000	- \$10 000	50 000	- \$12 500	100 000	- \$25 000	200 000	- \$50 000

Correct Forms of Registrable Names

Note that ONLY legal entities are allowed to hold Shares. Applications must be in the name(s) of natural persons, companies or other legal entities acceptable to the Company. At least one name given in full and the surname is required for each natural person. Application Forms cannot be completed by persons under 18 years of age. Examples of the correct forms of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full not initials	Mr John Alfred Smith	JA Smith
Company Use the Company's full title not abbreviations	Ace Business Company Pty Ltd	ABC P/L or ABC Co
Joint Holdings Use full and complete names	Mr Peter Robert Williams Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts Use the trustee(s) personal names(s)	Mrs Susan Jane Smith <Sue Smith Family Account>	Sue Smith Family Trust
Deceased Estates Use the executor(s) personal name(s)	Ms Jane Mary Smith Mr Frank William Smith <Estate John Smith Account>	Estate of late John Smith or John Smith deceased
Partnerships Use the partners personal names Use the Partnership Tax File Number	Mr John Robert Smith Mr Michael John Smith <John Smith and Son Account>	John Smith and Son
Clubs/ Unincorporated Bodies/ Business names Use office bearer(s) personal names(s)	Mr Michael Peter Smith <ABC Tennis Association Account>	ABC Tennis Association
Superannuation Funds Use the names of the trustee(s) of the fund	Jane Smith Pty Ltd <Super Fund Account>	Jane Smith Pty Ltd Superannuation Fund

For personal use only



For personal use only



OROCOBRE
LIMITED

Level 1
349 Coronation Drive
Milton QLD 4064

Phone: (07) 3729 8944
Fax: (07) 3729 8988
Email: mail@orocobre.com.au
Website: www.orocobre.com.au