

The West Australian/Bloomberg

## WA lithium hopefuls up on Orocobre deal, resource upgrade

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WA's aspiring lithium producers were given a boost by Japan's Toyota Tsusho Company taking 25 per cent stake in Queensland-based Orocobre's Salar de Olaroz lithium-potash project in Argentina.

The company, a division of Toyota Motor, will contribute \$4.5 million for a definitive feasibility study and be responsible for securing a Japanese government-guaranteed low-cost debt facility for at least 60 per cent of the project's development costs.

Orocobre will continue to own 75 per cent of the project after construction and be operator in the joint venture.

Toyota Tsusho will also have the opportunity to negotiate an off-take agreement with Orocobre as part of the joint venture to provide lithium for hybrid and battery-powered vehicles.

Shares in Orocobre soared 40 cents, or 28.57 per cent, to \$1.80 by 10am.

The news also sent WA's lithium hopefuls higher with Galaxy Resources gaining five cents, or 3.66 per cent, to \$1.415.

Galaxy was also boosted by a resource upgrade and mine life extension at its Mt Cattlin lithium project near Ravensthorpe.

The company said its resource had risen 11 per cent to 172,000 tonnes, extending Mt Cattlin's mine life to 16 years.

Shares in Reed Resources, which is developing its Mount Marion lithium project with joint venture partner Mineral Resources, were up five cents, or 5.85 per cent, to 90.5 cents.

Mineral Resources shares were up one cent to \$7.31.