

11 December 2009

ASX ANNOUNCEMENT

CAPITAL RAISING

The Directors of Orocobre Limited (**ASX: ORE**) are pleased to announce that the Company has completed a placement of 5.68m shares to institutional investors at an issue price of A\$1.10, to raise A\$6,250,000.

The issue price of represents a 5.2% discount to the 10 day volume weighted average price prior to the Company entering into a trading halt and the issue was heavily oversubscribed.

Lead Manager to the placement was Patersons Securities Limited.

The raising has been undertaken to provide funds for the acquisition of exploration properties and for working capital purposes.

In addition, current and former Directors have collectively exercised 7,000,000 unlisted options at a cost of A\$1,750,000. This was part funded by the sale of 1,250,000 shares at \$1.10, 750,000 of which were placed to clients of Patersons Securities Ltd and 500,000 were sold to Lithium Investors LLC, a company associated with Chairman James D Calaway. The company's Managing Director, Richard Seville did not sell any shares to exercise his options.

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