



<b>Company</b>	<b>Orocobre/Allkem</b>
<b>Code</b>	<b>ORE/AKE</b>
<b>Meeting</b>	AGM
<b>Date</b>	<b>30 November 2021</b>
<b>Venue</b>	Online only
<b>Monitor</b>	Mike Sackett assisted by James Hart

<b>Number attendees at meeting</b>	<b>44 shareholders, 123 visitors, 167 in total</b>
<b>Number of holdings represented by ASA</b>	<b>78</b>
<b>Value of proxies</b>	\$4.5m
<b>Number of shares represented by ASA</b>	454,028
<b>Market capitalisation</b>	<b>\$6.0b</b>
<b>Were proxies voted?</b>	Yes, on a poll.
<b>Pre AGM Meeting?</b>	Yes, Chairman Mr Martin Rowley and Investor Relations staff

### It's Allkem from now on

Some AGMs leave attending shareholders with a warm, satisfied feeling. Regrettably, Orocobre's final AGM under that name was not one of these. The best companies use the AGM as an opportunity to showcase their recent achievements and outline their way forward. While ORE have a good story to tell, their AGM was a missed opportunity and was all over in 47 minutes. The Chairman's address and voting on the 10 resolutions, each of which ASA supported, were all finished in 18 minutes!

The Chairman, based in Perth, and three NEDs (based in Argentina, Australia and Canada) were up for election. They all came from Galaxy which had entered into a merger of equals in August 2021 with Orocobre and so were new to ORE shareholders. Why didn't the company see fit to have each make a brief presentation? The writer is kicking himself for not requesting this at the time, and would have done so in a live meeting.

There is a lot to like about ORE, for which a name change to Allkem (ASX ticker: AKE) was approved at the AGM. It will be updated on ASX in due course.

The merger makes it the fifth largest producer in the world of what will probably prove to be the star commodity of the 2020s – lithium, the price of which has tripled in the past year. It has

production operations from hard rock in WA and from brine in Argentina, with developments projects in Argentina and Canada. Early in 2022 it will open a processing plant in Japan to capture the added value of lithium hydroxide, a key input in today's electric vehicle battery manufacture. ORE has committed to "net zero by 2035" on the back of its solar-dried brine operation and proposed James Bay, Canada hydro-electric powered hard rock mine, and has well-founded sustainability credentials.

So, what's the problem? ASA asked the CEO in Buenos Aires what steps he was taking to unify the culture of Allkem given Galaxy and Orocobre were two very different companies, with operations located around the world? In reply the CEO said he spoke weekly with his chairman in Perth. He ran the company's head office in Argentina where the largest assets were located. He had been unable to visit WA since the merger due to COVID-19, although he had been to Canada more than once. At present the company's corporate HQ was in Brisbane. It had earlier advised that in future this will be in "east coast Australia", although no more information was given at the AGM.

The company advised that early in 2022 it would complete a corporate-wide strategy review for all its assets around the world.

We also asked what the likelihood was of the FY21 tax expense of \$US68m recurring? One of the Joint Company Secretaries replied that most of this had been due to an unexpected uplift in the corporate tax rate in Argentina and "we don't expect another". Argentina's 50% annual inflation had been another contributing factor.

Finally, ASA asked how many shareholders the company had compared with the 13,980 ORE shareholders at the end of FY21. Apparently the current number has grown to 40,350 although work was required to clean-up the register.

All 10 resolutions were passed, eight with comfortable 97%+ majorities. The exceptions were the adoption of the Remuneration Report with 19.3% of votes against, apparently due to the action of one proxy adviser and the granting of Merger Completion Rights to the CEO. The latter resolution was carried but attracted a 35% negative vote. ASA had voted in favour of these resolutions, considering the scale of the benefits to be proportionate to changes in size and complexity of the company.