



25 February 2020

Iofina plc
("Iofina", the "Group", or the "Company")
(LSE AIM: IOF)

Market Update

IofinaEX update

Construction of IO#8 on budget and on track

Iodine prices continue to rise

Iofina plc, specialists in the exploration and production of iodine and manufacturers of specialty chemical products, is pleased to provide an update to the market regarding its ongoing operations and new projects.

IofinaEX

IofinaEX, continues to make progress in developing its technology to isolate specialty chemicals from hemp. Active trials continue at our facility in Kentucky whose Hemp Processor/Handler license was recently renewed.

As part of the initial work to set up IofinaEX, the Group has been evaluating business opportunities in Belize and elsewhere. Following this early evaluation process, which has been carried out at minimal expense, the Directors have concluded that the best strategy to grow IofinaEX would be to initially focus on the excellent CBD opportunities it has in the USA, a highly regulated market which Iofina currently operates in and understands well. This will also allow Iofina to continue the strong progress being made within its core iodine and specialty chemical businesses in the USA.

IofinaEX continues to develop its strategy in the CBD/Hemp space and will update the market as the business plan evolves in this dynamic market. Fully developing and communicating this business plan has taken longer than anticipated as the CBD/hemp global market is changing rapidly. Furthermore, despite now focusing on USA opportunities, IofinaEX will still continue to evaluate prospects outside of the USA as they present themselves.

IO#8

The construction of IO#8 continues to progress well, on budget and on track to be brought online likely in April 2020. Installation of steel, tanks, electrical and plumbing has progressed well, with other key components expected to be fitted within the next few weeks. Once in production, IO#8 will contribute fully to the Group's H2 2020 production output adding to Iofina's four operating iodine plants in Oklahoma.



Figure 1. Construction of IO#8 in western Oklahoma

Iodine market

Iodine prices rose over 20% in 2019 and continue to rise in early 2020. The spot price now sits in the mid \$30's per kilogram and is rising towards the upper \$30's as a result of the continuing demand for iodine and a tightness in supply. The Directors believe that iodine prices will continue to increase in 2020. To date we have not seen any impact from the COVID-19 virus outbreak to the overall iodine market and specifically to the Group's sales or supply chain.

Commenting, President and CEO of Iofina, Dr. Tom Becker, stated: *"As we approach the completion of IO#8 we are excited to see the plant come online in the months ahead, and to begin contributing to the Group's 2020 iodine output."*

"Iodine markets have remained strong, after a solid 2019, and the Directors are confident that prices will continue to favour the Group as it progresses through 2020."

"Having now refocused efforts for IofinaEX, along with the Group's core iodine business lines to concentrate on opportunities in the USA, the Directors are confident that Group resources will be properly utilised, that risk has been minimised and Iofina will maximise the value delivered for shareholders."

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About Iofina:

Iofina plc (AIM: IOF) is a vertically integrated Company that specialises in the production of iodine and the manufacturing of specialty chemical products. As the second largest producer of iodine in North America, it comprises three USA entities; Iofina Resources, Iofina Chemical and IofinaEX.

LEI: 213800QDMFYVRJYYTQ84

ISIN: GB00B2QL5C79

Iofina Resources

Iofina Resources develops, builds, owns and operates iodine extraction plants using Iofina's WET® IOsorb® technology. Iofina currently operates four producing IOsorb® plants in Oklahoma, is building a fifth site, and is consistently using technology and innovation to improve and expand its operations.

Iofina Chemical

Iofina Chemical has manufactured high quality halogen speciality chemicals derived from raw iodine, as well as non-iodine based products for over 35 years.

IofinaEX

Iofina's newest subsidiary, IofinaEX, is fully licensed to process hemp in the state of Kentucky and is exploring the isolation of specialty chemical products from hemp, a rapidly expanding market.

www.iofina.com

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.