



Iofina plc
Registered office:
200 Strand
London WC2R 1DJ

*Incorporated in England and Wales
with registered number 5393357*

19 May 2017

To Shareholders and, for information only, to holders of options and convertible loan notes

Dear Shareholder

NOTICE OF 2017 ANNUAL GENERAL MEETING (“AGM”)

1. Introduction

The 2017 AGM will take place at the Company’s registered office, 200 Strand, London WC2R 1DJ at 9:30 a.m. on 14 June 2017. Notice of the AGM is set out at the end of this letter. This letter provides you with an explanation of the resolutions to be considered at the AGM, and is accompanied by the audited accounts of the Company for the year ended 31 December 2016.

2. Matters for consideration at the AGM

Ordinary Business

Resolution 1 To receive the report of the Directors and the accounts for the period ended 31 December 2016 together with the Auditors’ report

The Board recommends the receiving and adopting of the accounts for the year ended 31 December 2016, together with the Reports of the Directors and the Auditors.

Resolution 2 Re-election of Director

The Board recommends the re-election of Malcolm Lewin who retires by rotation in accordance with article 81 of the Company’s Articles of Association.

Resolution 3 Auditors’ re-appointment and remuneration

The resolution relating to the Auditors’ reappointment and remuneration is usual business for the AGM.

Special Business

Resolution 4 Directors’ authority to allot shares

This is an ordinary resolution granting general authority to the Directors to allot new ordinary shares in the capital of the Company up to the thresholds described in Resolution 4. This resolution renews the authority granted at the last annual general meeting. The authority will expire on the date of the next annual general meeting.

Resolution 5 Disapplication of pre-emption rights

This is a special resolution authorising the Directors to allot ordinary shares for cash up to the thresholds described in Resolution 5 on a non pre-emptive basis pursuant to the authority conferred by Resolution 4.

Last year, the Company requested an authority representing approximately 35% of the nominal value of the ordinary shares in issue anticipating that significant headroom would be required due to the proposed restructuring of the convertible loan notes then in issue. Following completion of the debt restructuring announced by the Company via RNS on 30 September 2016, the Company now needs to maintain sufficient authority in place to allow for the full conversion of the convertible secured loan notes 2016 (the "Loan Notes") currently in issue for ordinary shares for such period that any Loan Notes remain outstanding. Presently, all the Loan Notes remain outstanding. Whilst the Board is not aware of any intention by the noteholders to convert the Loan Notes, the Company is contractually obligated to ensure sufficient headroom is maintained.

The Board considers that, in addition to the aforesaid requirement, the additional authority proposed in Resolution 5 is necessary to allow it to move quickly from time to time as it deems appropriate without further recourse to Shareholders. The Board does not have any intention at the present time of exercising such power.

These authorities will expire on the date of the next annual general meeting.

3. Form of Proxy

Whether you intend to attend the AGM or not, please complete and return the accompanying Form of Proxy to the Company's registrars, Capita Asset Services, at The Registry, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received no later than 9:30 a.m. on 12 June 2017. By doing so, you will not preclude yourself from attending and voting in person at the Meeting.

4. Recommendation

The Board considers each of the proposed resolutions to be in the best interests of the Company and Shareholders as a whole. Accordingly, the Board unanimously recommends that you vote in favour of all the resolutions.

Yours faithfully



Lance J. Baller
Chairman

IOFINA PLC

NOTICE OF 2017 ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting (“**AGM**”) of Iofina plc (“**Company**”) will be held at 200 Strand, London WC2R 1DJ on 14 June 2017 at 9:30 a.m. for the following purposes:

Ordinary Business

To consider and, if thought fit, pass the following resolutions, which will be proposed as ordinary resolutions:

1. Report and accounts

To receive the audited accounts of the Company for the year ended 31 December 2016, together with the Reports of the Directors and the Auditors thereon.

2. Re-election of Director

To re-elect Malcolm Lewin as a Director.

3. Re-appointment of Auditors and remuneration

To re-appoint RSM UK Audit LLP as auditors of the Company to hold office from the conclusion of the AGM until the conclusion of the next general meeting at which accounts are laid before Shareholders and to authorise the Directors to determine the remuneration of the Auditors.

Special Business

To consider and, if thought fit, pass the following resolutions of which Resolution 4 will be proposed as an ordinary resolution and Resolution 5 will be proposed as a special resolution:

4. Directors’ authority to allot shares

That the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the “**Act**”) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company (“**Rights**”):

- (a) up to an aggregate nominal amount of £650,000 (equal to approximately 51 per cent. of the nominal value of the issued share capital of the Company as at the date of this notice) in connection with the Company’s secured convertible loan notes; and
- (b) other than pursuant to paragraph (a) above, up to an aggregate nominal amount of £625,693.98 (equal to approximately 49 per cent. of the nominal value of the issued share capital of the Company as at the date of this notice),

provided that this authority shall expire on the date of the next annual general meeting held by the Company following the passing of this resolution save that the Company shall be entitled to make offers or agreements before the expiry of this authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant Rights pursuant to such offers or agreements as if this authority had not expired; and all unexercised authorities previously granted to the Directors to allot shares and grant Rights be and are hereby revoked.

5. **Directors' power to issue shares for cash**

That, subject to the passing of Resolution 4, the Directors be empowered pursuant to sections 570 and 573 of the Act to allot equity securities (within the meaning of section 560 of the Act) pursuant to the general authority conferred by Resolution 4, or by way of a sale of treasury shares, for cash as if section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be limited to allotments of equity securities and the sale of treasury shares:

- (i) in connection with a rights issue to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory;
- (ii) up to an aggregate nominal amount of £650,000 (equal to approximately 51 per cent. of the nominal value of the issued share capital of the Company as at the date of this notice) in connection with the Company's secured convertible loan notes; and
- (iii) otherwise than pursuant to sub-paragraphs (i) and (ii) above, up to an aggregate nominal amount of £255,138.80 (equal to approximately 20 per cent. of the nominal value of the issued share capital of the Company as at the date of this notice),

and such power shall expire on upon the expiry of the authority conferred by Resolution 4, save that the Directors shall be entitled to make offers or agreement before the expiry of such power which would or might require equity securities to be allotted or treasury shares to be sold after such expiry, and the Directors may allot equity securities or sell treasury shares in pursuance of any such offer or agreement as if the power conferred by this resolution had not expired.

All previous authorities to allot shares, to the extent unused, shall be revoked.

Dated: 19 May 2017

Registered office:
200 Strand
London WC2R 1DJ

By order of the Board:

Simon W. Holden
Company Secretary