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12 July 2019

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

### **H1 2019 Update**

#### **Iodine production up c.10 per cent; iodine price continues to climb**

Iofina plc, specialists in the exploration and production of iodine and manufacturers of specialty chemical products, today provides an update to the market regarding its activities during the first half of 2019.

In H1 2019, the Company produced a total of 286.7 metric tonnes ("MT") of crystalline iodine from its four IOsorb® plants operating in Oklahoma, up 9.8 per cent from the prior year (H1 2018: 264.1 MT). Q2 output was significantly higher than Q1 production owing to the Q1 winter weather conditions and an efficiency fall at IO#6 previously detailed and now remedied. Iofina expects H2 2019 production from its current plants to total between 305-325 MT of crystalline iodine.

During the first half of the year, the Directors focused on securing additional capital and successfully raised £7.0 million of equity in Q2. The funds raised will be used to finance IO#8 plant construction and accelerate an upgrade programme at our existing plants. These efforts will in turn increase iodine production and sales, as well as reduce the Company's debt. Simultaneously, \$4.2m of debt was converted to equity by Southern Rock Insurance Company Limited.

The Group is pleased to confirm that the \$3.3 million term loan facility was fully paid down at the end of June 2019. Together with the \$4.2m debt for equity swap, the Company's debt has been reduced by \$7.5 million, which has significantly strengthened the Group's financial position.

Iodine prices have continued to rise throughout the first half of 2019 due to tightness in supply in a market which continues to see solid demand. Iodine prices in the latter half of Q2 and into early Q3 are trending upward and most spot market iodine sales are now over \$30/kg, a significant rise since this time last year, where spot iodine prices were approximately \$25/kg at the start of Q3 2018.

Additionally, IofinaEX has fully obtained its Industrial Hemp Processor/Handler License in the state of Kentucky. Research quantities of hemp have been procured and the Company will update the market on its progress in due course. IofinaEX will continue to explore global business opportunities in the CBD/cannabinoid market.

Iofina Chemical has continued to trade strongly in both iodine and non-iodine products.

**Commenting, President and CEO Dr. Tom Becker stated:** *"The Group had a strong start to the year, with many positive achievements including an almost 10% increase in iodine production year-on-year."*

*Whilst this was accomplished through four operating IOsorb® plants, we continue to evaluate options for a fifth plant, IO#8, which would significantly increase production rates in 2020.*

*“The successful fundraise in Q2 has enabled us to pay down our loan facility, and reduce debt further via a debt to equity exchange putting the Company in a stronger position. The iodine price continues to move in the right direction and we expect this to continue into the second half of the year.*

*“Iofina’s newest subsidiary, IofinaEX, is now fully licensed to process hemp in the state of Kentucky and the Directors are committed to exploring the isolation of specialty chemical products from hemp, a rapidly expanding market.”*

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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 entities; Iofina Resources, Iofina Chemical and IofinaEX.

***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, 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 now fully licensed to process hemp in the state of Kentucky and the Directors are committed to exploring the isolation of specialty chemical products from hemp, a rapidly expanding market.

[www.iofina.com](http://www.iofina.com)