



9 July 2014

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

June Production Update
98% increase in quarterly production for Q2 2014

Iofina, specialists in the exploration and production of iodine and iodine specialty chemical derivatives, are pleased to update the market today on continued progress and production during the month of June (or "the Period").

The Company reports that it has produced 30.6 metric tons (mt) of crystallised iodine at Iofina Resources in the Period, compared with 40.5 mt for May. The decrease for the month was attributable to production downtimes during the second week of June that were caused by severe electrical storms to all Oklahoma plants which temporarily shut-in operations of the oil and gas producers and therefore cut off supplies of co-produced iodine rich brine water. One of the Company's plant sites was struck by lightning and suffered minimal damage, as the engineering design on the grounding system worked as planned during these unusual weather events and the plant was back online within 48 hours. The exit rate of production for the month was as expected and has remained strong into July in line with guidance, which the Company reiterates for the year as both IO#5 and IO#6 come online this month. The Company produced a record 92.9 mt for the second quarter compared to 47mt for the first quarter – an increase of 98 per cent. The Company was also profitable for the Period in terms of both EBITDA and net profit.

IO#1 Production Plant

IO#1 had weather related issues during the period. During June, IO#1 was subject to a test that could potentially eliminate a certain chemical, resulting in additional savings. While this test had mixed results at this particular location, the results show promise for our Oklahoma plants and a test will be performed at IO#3.

IO#2 Production Plant

IO#2 experienced above average down-time due to extreme weather, which in turn caused power outages in the area. Although potential downtime was allowed for within the Company's projection model the Board did not anticipate such extreme weather conditions. Controllable run-time at the plant was however excellent and should remain so with the recent site upgrades.

IO#3 Production Plant

IO#3 demonstrated a sharp increase in run-time and capacity due to working with salt water disposal (SWD) site operations and fracking crews. The Company has been able to mitigate downtime given an aggressive fracking schedule. The Operators treat this site as a *perpetual frack site* and supply the site with 10,000-15,000 BPD to the best of their ability. The elimination of total down-time has resulted in increased recoveries.

IO#4 Production Plant

IO#4 remains a steadfast production source given its design capacity. The brine availability and iodine concentrations remain steady allowing for smooth operations and consistent production. The Operator will be fracking in the area in July and we expect 2 days of down-time.

IO#5 Production Plant

IO#5 remained idle as the plant awaits connection to the power grid. Hard power installation began the last week of June and is targeted to be completed within the next two weeks.

IO#6 Production Plant

Construction at IO#6 is complete. The final tie with the oil and gas operator was delayed by three weeks owing to a matter which was out of the Company's control. This connection is expected to be completed on or by 25 July 2014.

Commenting on today's announcement, Lance Baller, Non-Executive Chairman, stated: **"We are pleased to report a strong second quarter. While we had lower production for the month of June, we remain firmly focused on a daily basis on achieving consistent production. The strong June production exit is very encouraging."**

"The iodine market continues to be challenging, but the Company saw iodine prices remain steady in June. We continue to have strong interest in long term supply agreements with multiple Iodine customers. These agreements would allow the Company a built in hedging mechanism from price volatility. The Company had near record sales again for the month which demonstrates good demand for our products."

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About Iofina:

Iofina specializes in the exploration and production of iodine, iodine specialty chemical derivatives and produced water. Iofina's business strategy is to identify, develop, build, own and operate iodine extraction plants currently focused in North America based on Iofina's WET® IOsorb™ technology.

Iofina has production operations in the United States, specifically in Texas, Montana, Kentucky and Oklahoma. It has complete vertical integration from the production of iodine in the field to the manufacture of the chemical end-products derived from iodine to the consumer and the recycling of iodine using iodinated side-streams from waste chemical processes in Europe, North America and Asia. Iofina utilises its portfolio of patented and patent pending technology, proprietary methods and trademarks throughout all business lines.

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