



25 March 2011

Iofina plc
(“Iofina” or “the Company”)

CONTRACT WIN
Significant iodine agreement to increase production for Iofina

The Board of Iofina (LSE AIM: IOF), the holding company of a group of companies involved in the exploration and production of iodine and natural gas, is pleased to announce that its subsidiary, Iofina Natural Gas, Inc., has secured a new and significant Iodine and Collection Agreement with Anticline Disposal LLC (“Anticline Disposal”), a wholly owned subsidiary of High Sierra Energy L.P.

New Agreement Highlights

- Agreement increases iodine brine streams by 12,000 barrels per day (“bpd”) or up to c.3.5 metric tons (“mt”) of iodine per month; greater than 25% increase in contracted volumes;
- Iodine concentrations exceeding 90 parts per million (“ppm”);
- Staged deployment will utilize a single Iofina WET® pod unit and ramp up to multiple pods, or a single iodine mini-plant capable of processing the entire throughput;
- First commercial iodine extraction in the State of Wyoming, United States; and
- The site has capacity to increase its throughput to 60,000 bpd from the 12,000 bpd of current production. This incremental production would be covered by the existing Iodine Collection and Extraction (“ICE”) agreement.

Overview of Agreement

Under the terms of today’s agreement, Iofina will initially be adding an additional 12,000 bpd of iodine rich brine. This throughput of 12,000 bpd has the potential to yield between 3.0mt and 3.5mt of iodine per month with the potential for incremental brine production from this site also adding material upside potential. Iofina will pay 100% of the cost to install and operate its WET® pod and will retain ownership of 100% of the elemental iodine produced from this site. In exchange Anticline Disposal will receive a portion of the sales price of the raw iodine. The Board is also excited about the potential synergies created between the two companies’ technical expertise in water treatment. The Company’s expertise in iodine extraction and Anticline Disposal’s in waste water treatment provides additional future potential to work together at Atlantis as well as new Third Party opportunities. The Board looks forward to working with an operator whose focus on water treatment is aligned with Iofina’s.

Anticline Disposal has been in operation since 2002 and offers state-of-the-art treatment technology to handle the water needs of oil and gas operators in Western Wyoming. Produced and flow back water are delivered to the facility via pipeline and trucks. The facility can process up to 60,000 bpd for fracture stimulation (frac) recycle and up to 20,000 bpd of better than

drinking quality water for discharge into the local river system. The frac recycle water is returned to the field by pipeline. To date, Anticline Disposal has recycled over 25 million barrels of oilfield waste water. Iodine will be removed using Iofina's Wellhead Extraction Technology® WET® pod technology.

The Anticline facility currently disposes of at least c.12,000 bpd of co-produced brine water. The co-produced brine has iodine concentrations exceeding 90 parts per million ("ppm"). This facility will be the first ever production of iodine in the State of Wyoming. Staged deployment will utilize a single WET® pod unit and ramp up to multiple pods or a single iodine mini-plant capable to process the entire throughput after operations have been analyzed for maximum efficiency.

The Company continues to solicit more locations throughout the United States with a focus in the California Los Angeles Basin, Oklahoma and Texas. Whilst the Board has seen high variability in the quality of brine streams between these locations, the solution for successful extraction of iodine can be replicated within nearby locations due to a better understanding of the local brine chemistry. Therefore the focus of the Board's efforts to secure additional contracts to increase iodine production will be in and around the Company's existing locations which will enable operating efficiencies and quicker deployment.

Commenting on today's Agreement, Lance Baller, CEO and President of Iofina, commented:

"Following the recent tragedy in Japan, there has never been a more important time for iodine producing companies. Iodine has been featured regularly in the news over recent weeks, as prices rise on increased demand for anti-radiation tablets in the wake of the Japan nuclear crisis. Iodine is currently being used in tablet form to fill the thyroid gland with a stable form of the chemical, with the aim of preventing it absorbing radioactive iodine.

"Today's Agreement represents a significant step forward for Iofina. We are excited to be working in new iodine rich regions, such as Wyoming. The Agreement illustrates that Iofina's geological model of acquiring samples and data of over 1,500 data points in the United States is a valuable asset. We are also excited to be teaming up with experienced water treatment companies such as Anticline Disposal. We believe both companies will derive significant additional benefits from this relationship. We remain tightly focused on securing additional third party brine stream agreements to expand our iodine production."

Commenting on today's Agreement, James Burke CEO High Sierra Energy L.P.

"High Sierra Energy is excited to work with Iofina at our Anticline facility. This partnership will allow us to create greater value for our investors as we continue to service our customers and benefit the environment through our patented water treatment process."

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About lofina

Iofina is involved in the exploration and production of both iodine and natural gas with complete vertical integration into the specialty chemical iodine derivatives business. It also provides third party brine stream operators with a turnkey mid stream fee based solution to extract iodine. The presence of both iodine and natural gas has been discovered on acreages which the Company holds through its wholly owned subsidiary Iofina Natural Gas, Inc. The presence of iodine and natural gas allows the Group to generate dual revenue streams over a single cost structure.

Iofina is traded on the London Stock Exchange's AIM Market under the ticker: IOF
www.lofina.com

Wellhead Extraction Technology® and WET® are registered trademarks of Iofina Natural Gas, Inc.

About High Sierra Water Services

High Sierra Water Services partners with leading oil and gas companies to provide treatment for recycling or surface discharge of produced and flow back water. With a focus on long-term, sustainable options, High Sierra Water Services offers water treatment solutions specifically designed to meet the needs of energy industry partners through state-of-the-art water treatment technology. High Sierra Water Services is a division of High Sierra Energy, a diversified, midstream Energy Company, headquartered in Denver, Colorado, United States.

High Sierra currently operates in the Pinedale Anticline region of Wyoming and in parts of Oklahoma and Kansas, with future expansion plans throughout the United States and Canada.

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