



20 May 2010

Iofina plc
("Iofina" or "the Company")

New Third Party Iodine Extraction and Collection Agreement Signed and Update on Operations in California

Iofina PLC (LSE AIM: IOF) is pleased to announce that its subsidiary, Iofina Natural Gas, Inc., has entered into an agreement with a privately owned company operating in Western Oklahoma to recover iodine from one of their co-produced brine water disposal sites in the iodine rich Anadarko Basin of Western Oklahoma.

Highlights

- Anadarko Basin is one of the most prolific oil and gas producing basins in North America
- Water disposal is a significant cost for production companies in the region, providing an opportunity for Iofina to negotiate third party iodine extraction contracts to offset water disposal costs
- Iofina's WET® technology can be quickly deployed to any location which will allow for the commencement of iodine recovery within 45 days of deployment
- All iodine extracted will be exclusively marketed to Iofina Chemical at a market rate. Iofina Chemical will then vertically integrate the iodine into various types of iodine chemical derivatives
- Production commenced from the Termo site on May 10th, 2010. In addition, at the Warren site installation planning is finalized and it is anticipated that the POD will be installed and hook up will begin later this month with production commencing in the first week of June

Lance Baller, Iofina plc's CEO and President commented:

"We are excited to be working in the iodine rich region of Western Oklahoma where the establishment of Iofina's WET units is important to our growth strategy. The brine streams in this region contain significant iodine concentration that Iofina plans to pursue vigorously. We remain focused on securing additional third party brine stream agreements and look forward to providing further updates in due course."

Further information

The Anadarko Basin is a geologic depositional and structural basin centered in the western part of the state of Oklahoma, and the panhandle of Texas, and extending into western Kansas and southeast Colorado. The basin contains sedimentary deposits ranging in thickness from two thousand feet on its northern and western flanks to forty thousand feet in its southern portion. Significant oil and gas discoveries have been made throughout this region, in several different pools, making it one of the most prolific oil and gas producing basins in North America. In

addition to oil and natural gas, iodine is currently produced in the Anadarko Basin from the Morrow Formation. Iofina has also identified several other geologic formations in the Basin that contain elevated levels of iodine that are not being exploited for commercial production. Numerous major oil and gas companies have significant properties in the Basin. The current practice of co-produced water disposal includes deep re-injection wells and/or hauling water to disposal sites. Water disposal is a significant cost for production companies in the Basin and provides an opportunity for Iofina to negotiate third party iodine extraction contracts to offset disposal costs. In addition, Iofina's iodine extraction technology presents an additional revenue source to disposal companies in the Basin.

The brine has iodine concentrations exceeding 104 parts per million ("ppm"). Furthermore, the company operates two additional sites in the area. The iodine levels at these sites range from 130 ppm to 202 ppm. It is anticipated that these additional sites will be added to the above mentioned contract after a successful deployment of the first WET® POD.

The ability of Iofina's WET® technology to quickly deploy to any location and adapt to variations in brine water streams will allow for the commencement of iodine recovery within the next 45 days. This is the first brine stream that the Company has secured in the brine rich region of Western Oklahoma.

All the iodine extracted will be exclusively marketed to Iofina Chemical at a market rate for like-kind of quality and purity of iodine. Iofina Chemical will then vertically integrate it into various types of iodine chemical derivatives.

In addition to the ongoing development of our Atlantis property, Iofina continues to focus on expanding its third party brine operations. The Company is in regular contact with a number of operators in order to receive brine samples and perform full testing to enable us to calculate production costs and potential yields. It is encouraging that many of these brine streams have significantly higher volumes than anticipated and, in addition, many are being found in new geological formations that were not previously known to contain high concentrations of iodine.

Further to our previous announcements dated March 22, 2010, and April 14th 2010 Iofina is pleased to provide an update regarding the third party Iodine Extraction and Collection Agreement with The Termo Company and Warren Resources respectively. Production commenced from the Termo site on May 10th, 2010. At the Warren site installation planning is finalized and it is anticipated that the POD will be installed and hook up will begin later this month with production commencing in the first week of June. Iofina's Field personnel are on the ground facilitating the Termo operations and the Warren installation thus realizing the economies of scale we had planned for.

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About Iofina

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 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 both 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.iofina.com

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