



29 April 2014

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

Successful Completion of US\$5m Unsecured Convertible Bond

Iofina, specialists in the exploration and production of iodine and iodine specialty chemical derivatives, is pleased to announce that it has completed a US\$5 million unsecured convertible bond to be issued to Panacea Limited (the "Bond"). The Company intends to use the net proceeds of the Bond to strengthen the Company's cash position, which stood at US\$2.3 million at the end of March, as it looks at expanding its production base.

The Bond will be issued at par by the Company and will have an annual coupon of 6% payable quarterly in arrears. The Bond is convertible into fully paid ordinary shares of the Company ("Ordinary Shares") at a conversion price equivalent to 40 pence per Ordinary Share, which is approximately a 5.6% premium to the closing price of 37.75p on 28 April 2014. The Company has the right to elect conversion of the Bond if the share price trades at 80 pence per Ordinary Share (being a one hundred per cent. premium above the conversion price) for five consecutive trading days.

Based on the issue size of US\$5 million, the Ordinary Shares to be issued upon conversion of the Bond would represent 7,434,944 Ordinary Shares or 5.84% of the current total number of issued and outstanding Ordinary Shares of the Company, which stands at 127,284,398 shares.

The Company has the right to redeem the Bond without penalty at any time at which point the holders may elect to convert or receive repayment. If not converted or previously redeemed, the Bond will be redeemed at par at maturity, being 15 May 2017. The Bond also includes early redemption and /or exercise in the event that the Company is taken over by a third party.

No origination fees or placing fees were paid on this transaction.

Commenting on today's announcement, Lance Baller, Non-Executive Chairman and Co-Founder stated:

"We are pleased to have completed this convertible bond issue with Panacea. While this financing is not needed to sustain the current operations of the business, it allows us to look at further expansion through the construction of mobile units or plants similar to IO#2, both of which would be expected to be accretive to earnings."

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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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