



7 June 2016

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

**Restructuring of US\$20 million Convertible Loan Notes  
Additional US\$10 million Secured Facility**

Iofina, specialists in the exploration and production of iodine and iodine specialty chemical derivatives, is pleased to announce it has agreed to Heads of Terms for the restructuring of the convertible loan notes issued in the amounts of US\$15 million to Stena Investment S.á.r.l. ("Stena") and US\$5 million to Panacea Limited ("Panacea") (together, the "Notes"). The redemption date of the Notes will be extended to 1 June 2019 (the "Maturity Date"). Additionally, Stena has agreed in principle to extend to Iofina a US\$10 million line of credit (the "Facility") at 6% interest paid quarterly in arrears on all funds drawn by Iofina under the Facility. The intent of the Facility is to allow Iofina flexibility for its operations and expansion plans.

Both the Notes and the Facility are subject to finalised documentation, which the Company, Stena and Panacea hope to conclude as soon as practicable.

The interest payable on the Loan Notes will be reduced to 5% per annum from 6%. Interest is payable quarterly on the restructured Loan Notes or, at Iofina's election, may be rolled up to the next occurring quarterly payment date. Any interest rolled-up will be capitalised and form part of the principal balance of the Loan Notes at the relevant quarter date. There shall be no limit to the amount of times that Iofina may roll up interest, in so far that all capitalised interest is to be paid by the Maturity Date. Subject to the approval of Stena and Panacea (insofar as it relates to the Notes issued to each of them), any capitalised interest on the Loan Notes outstanding from time to time may be paid by the issuance of ordinary shares in the capital of Iofina at a price per share of 32 pence.

The terms of the conversion applicable to the Loan Notes will be modified such that Stena or Panacea may convert at any time upon 28 days' notice (or such shorter time, subject to Iofina's consent) the following:

- Stena
  - US\$5 million at a conversion price of 18p, which is equal to the closing price of 18p on 6 June 2016;
  - US\$5 million at a conversion price of 25p, which represents a 39% premium to the closing price of 18p on 6 June 2016; and
  - US\$5 million plus any accumulated interest at a conversion price of 32p, which represents a 78% premium to the closing price of 18p on 6 June 2016
- Panacea
  - US\$1.67 million at a conversion price of 18p, which is equal to the closing price of 18p on 6 June 2016;
  - US\$1.67 million at a conversion price of 25p, which represents a 39% premium to the closing price of 18p on 6 June 2016; and

- US\$1.67 million plus any accumulated interest at a conversion price of 32p, which represents a 78% premium to the closing price of 18p on 6 June 2016

Based on the issue size of US\$20 million and current GBP/USD exchange rate (and excluding any interest which may be converted), the ordinary shares in the capital of the Company to be issued on the conversion of the total principal of the Loan Notes would represent approximately 58.5 million shares or approximately 45.8% of the current outstanding shares of the Company. If not converted or previously redeemed, the Loan Notes will be redeemed at par (together with accrued interest) on the Maturity Date. The Company has the right to redeem the Loan Notes without incurring any early redemption penalty subject to the conversion rights of Stena or Panacea.

The Loan Notes and any amount drawn under the Facility will be senior secured debt held against the assets of the Company.

**Commenting on today's announcement, Dr. Thomas Becker, President & CEO of Iofina plc stated:**

"The Directors are pleased to announce the general terms to restructure our entire US\$20 million of debt with Stena and Panacea which lowers interest rates, allows for the rollover of this interest to potentially reduce immediate cash payments, and extends the debt to June of 2019.

"The additional US\$10 million line of credit with Stena gives Iofina added flexibility to execute business objectives timely. We expect to finalize the details within the next month. Iofina is appreciative of the ongoing support from Stena and Panacea; partnerships which are highly respected and valued"

**For further information, please contact:**

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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 operations in the United States, specifically in 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. Iofina utilizes its portfolio of patented and patent pending technology, proprietary methods and trademarks throughout all business lines.

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