



16 August 2012

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

**Commissioning of IO#1 IOsorb™ Plant
On track to become a major iodine producer**

Pursuant to the Group's 31 July 2012 announcement regarding the completion of construction of the IO#1 iodine extraction plant, Iofina, specialists in the exploration and production of iodine and iodine specialty chemical derivatives, is pleased to announce the successful commissioning of the IO#1 iodine extraction plant based on Iofina's WET® IOsorb™ technology, a significant milestone for the Group. Iofina has successfully commissioned the IO#1 plant located in its Southwest Operations Group, which consists of the states of Colorado, New Mexico, Oklahoma and Texas. The tie-in to the electricity grid was completed on schedule on 2 August 2012. The previously highlighted hydro-testing using fresh water was successful shortly thereafter.

Iofina has now commenced processing iodine-rich brine from the producer's salt water disposal site. Iofina's WET® IOsorb™ IO#1 plant was built to ensure full redundancy, meaning production can be switched across to back-up twin components to maintain a 24/7 operation for lower down times and higher iodine yield efficiency. It is anticipated that the IO#1 iodine extraction IOsorb™ plant will employ up to eight people. Iofina will update the market and give production guidance from IO#1 in due course.

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® and IOsorb™ technology. Today's commissioning will be the catalyst for the construction and commissioning of many more successful plants throughout Iofina's targeted regions over the coming twelve months. The IO#2 plant modifications are currently underway to the existing recently purchased facility. The IO#2 plant is set to arrive on site by month end.

Commenting on today's news, Lance Baller, CEO and President stated:

"The board is very pleased with today's news which opens up the gateway for the Group to become a major player in the global iodine market. I would like to thank all Iofina employees for their hard work on the successful commissioning of the WET® IOsorb™ IO#1 plant. The commissioning of the plant is major achievement for both Iofina and the industry. We are looking forward to an exciting next twelve months."

For further information, please contact:

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