



26 June 2020

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

IO#8 and Debt Update

Iofina, specialists in the exploration and production of iodine and manufacturers of specialty chemical products, is pleased to announce that operations at its newest iodine plant, IO#8, have recommenced. The Company is also pleased to provide an update on its debt refinancing.

IO#8 Update

Last month, Iofina reported that its newest iodine plant, IO#8, was idled due to shut-in wells, as a direct consequence of the significant drop in U.S. oil prices. The Company is now pleased to report that it has restarted operations at IO#8 as a large number of wells supplying brine to the plant have now been reopened. Iofina Resources, a subsidiary of the Company, is working with its partners to maintain a steady supply of iodide rich brine to IO#8 and explore options to further increase the flow of brine to the plant. All other IOsorb® plants are receiving brine water as normal and producing iodine within expected rates.

Debt Update

The Company continues to make significant progress towards refinancing its debt and can confirm that it is in the final stages of negotiation with a new primary lender based in the United States. However, there have been significant delays experienced in the refinancing process, principally due to COVID-19 and the resulting additional work for lenders in the United States to satisfy borrower demand under the US Government's Small Business Administration's Paycheck Protection Program ("PPP") which is part of the US Coronavirus Aid Relief and Economic Security Act.

The Company is pleased to report that Stena Investments S.à.r.l. ("Stena"), the Company's senior secured lender, has agreed, in principle, to extend the current repayment deadline for an additional two months from 1 July 2020 to 1 September 2020 in order to facilitate completion of this refinancing (the "Extension"). Contracts pertaining to the Extension are in the course of being finalised and are expected to be executed prior to 1 July 2020. The terms of the Extension will require an aggregate payment of approximately USD3.05m to Stena which represents all accrued and unpaid interest and fees owing to Stena on 1 July 2020, and a partial payment of 15% of the aggregate outstanding principal amount owned to Stena. Outstanding sums not repaid will maintain the same interest rate of 7.5% over the extension period.

The Company's junior secured lender, Southern Rock Insurance Company Limited ("SRICL"), has not agreed to this same extension at this time. The Board will try to continue to work with SRICL during the period to 1 July and, if necessary, during the grace period of 21 days provided for in the current loan documentation. The Company will use cash on hand for payments due to the debt holders, and intends to pay in aggregate approximately USD294k to SRICL which represents all interest and fees due on 1 July 2020 and a partial payment of 15% of the aggregate outstanding principal amount owed to SRICL.

The Directors remain confident that the Company will complete this loan refinancing within the Extension.

Commenting, President and CEO of Iofina Dr. Tom Becker, stated: *"It's a great boost to Iofina that most wells supplying IO#8 have already reopened, which has allowed us to restart iodine extraction at this site much earlier than originally anticipated. The Company's other plants have remained operational as normal and have been producing iodine within expected rates during the unfortunate global COVID-19 pandemic. We will now continue to maximize iodine production across all five of our IOsorb® plants in Oklahoma.*

"We are grateful to Stena, our senior lender, for agreeing to the terms of the two month extension to the repayment deadline. We are extremely pleased with the progress that we have made despite the delays to the process caused by the COVID-19 outbreak and we are confident that we can complete the refinancing within this extended timeframe."

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About Iofina:

Iofina plc (AIM: IOF) is a vertically integrated Company that specialises in the production of Iodine and the manufacturing of specialty chemical products. As the second largest producer of iodine in North America, it comprises three USA entities; Iofina Resources, Iofina Chemical and IofinaEX.

LEI: 213800QDMFYVRJYYTQ84
ISIN: GB00B2QL5C79

Iofina Resources

Iofina Resources develops, builds, owns and operates iodine extraction plants using Iofina's WET® IOsorb® technology. Iofina currently operates five producing IOsorb® plants in Oklahoma and is consistently using technology and innovation to improve and expand its operations.

Iofina Chemical

Iofina Chemical has manufactured high quality halogen speciality chemicals derived from raw iodine, as well as non-iodine based products for over 35 years.

IofinaEX

Iofina's newest subsidiary, IofinaEX, is fully licensed to process hemp in the state of Kentucky and is exploring the isolation of specialty chemical products from hemp, a rapidly expanding market.

www.iofina.com

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.