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16 October 2020

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

Q3 2020 Update

Debt Refinanced, Production on Track

Iofina plc, specialists in the exploration and production of iodine and manufacturers of specialty chemical products, today provides an update to the market regarding its activities during the third quarter ("Q3" or the "Period") of 2020.

During the Period, the Company produced 170.8 metric tonnes ("MT") of crystalline iodine from its five operating IOsorb® plants in Oklahoma versus 167.3 MT in the same Period in 2019. The Company is on track to achieve the lower end of its 340-360 MT H2 forecast. The Company has produced 455MT of crystalline iodine in the nine months to 30 September 2020.

IO#4 experienced a brief pause in activity during Q3 as our partner performed some required maintenance work at their disposal well. In conjunction with this work, Iofina executed planned improvements to the engineering of its water take-up system at the same site, with a view to increasing the amount of brine available. The Company has initiatives ongoing with its partners at all of its iodine production sites aimed at increasing water volumes available for processing at each IOsorb® plant.

Iodine prices and demand have softened recently. Iodine prices began the quarter above \$35/kg and Iofina now sees iodine prices for large quantities in the \$33-35/kg on the spot market. These prices are still above the price range of around \$32/kg for the same period last year, and the Company remains well placed to deliver good margins on its sales.

The outlook for iodine prices and demand is likely to be directly related to the rate of the global economic recovery. The automotive sector, which utilises cuprous iodide and other iodides as heat stabilising agents, is already showing improvement and the health care applications of iodine products are increasing, but are not as yet at levels we experienced pre-COVID-19.

In September 2020, the Group announced that it had refinanced its entire debt with First Financial Bank of Ohio. The debt refinance included a 7-year \$10m term loan and a revolving line of credit of up to \$8m. Initially the company has drawn \$3m on the line of credit. Interest rates on Company debt have been lowered from 7.5% to below 4%. Significantly, since March 2019 the Group has reduced its debt from \$25.6m to just below \$13m, thus achieving substantial reductions in both debt and interest outgoings moving forward.

Commenting, President and CEO Dr. Tom Becker, stated: *“Iofina is currently in the strongest position it has ever been, both operationally and financially. We are on track for record iodine production in 2020, iodine prices are still strong, and our debt has been refinanced and significantly reduced. These factors in combination with consistent production diversified across plants and product lines, as part of a prudent growth strategy, have allowed Iofina to continue to excel in spite of the global economic issues caused by the COVID-19 pandemic.”*

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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.

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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 holds an investment in a hemp seed production project.

www.iofina.com