



4 May 2020

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

IO#8 Brine Supply Update

Iofina plc, specialists in the exploration and production of iodine and manufacturers of specialty chemical products, today updates the market on brine supply to plant IO#8.

IO#8 is Iofina's newest iodine plant located in western Oklahoma. Iofina's brine supply partner for IO#8 is a saltwater disposal (SWD) operator who sources brine from multiple hydrocarbon producers. On 1 May 2020, the SWD operator informed Iofina that oil and gas operators have shut-in or intend to shut-in wells due to reduced operating margins at current oil prices. Iofina believes this will materially affect the volumes of brine available for iodine isolation at IO#8.

Currently, IO#8 is operating and receiving brine, however, the Company expects the brine supply feeding IO#8 to significantly decline in the coming days. It is not clear if this is a short-term challenge or long-term supply issue and will depend on oil prices, oil demand, oil storage capacity, and the rate of USA economic recovery from COVID-19. Options to provide IO#8 with other brine sources are being investigated but it is unclear if a viable solution will be found. It is now unlikely that the Company will meet its H1 iodine production goals and Iofina will update the market when more information is apparent.

Iofina has four other iodine production plants located in its core area in NW Oklahoma. Brine supplies to these four plants have not been affected. These plants source brine from the Mississippi Lime oil field. The wells feeding these four plants are less susceptible to shut-ins due to higher volumes of oil produced per well and operators have hedged a significant portion of this established production.

COVID-19 has caused Iofina to continue to implement measures to safeguard employees, control costs and protect the Company's sourcing and sales channels. As previously announced, India sales and sourcing had slowed, however, the Company now reports that these challenges relating to the Indian market have reduced and are returning to normal. Iofina has not observed any significant changes in demand or pricing of iodine. Our workforce has had no positive COVID-19 cases. We are continuing to act dynamically to protect the business and its employees which includes applying for a loan through the US Small Business Administration's Paycheck Protection Program which will be announced if funds are received.

Commenting, President and CEO of Iofina Dr. Tom Becker, stated: *"While the news of a likely significant reduction of brine supply to IO#8 resulting from oil well shut-ins during this time of extreme low oil prices and demand in the USA, is disappointing, we are otherwise pleased with the performance of the rest of the business during the COVID-19 pandemic. Iofina's other four iodine plants are fully operating and the Company expects this to continue. We are diligently working on possible solutions for IO#8 and will update the market as appropriate."*

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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 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.