15 January 2018

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

Market Update

2017 iodine production target exceeded
Iodine prices rise during 2017
New plant online imminently

Iofina, specialists in the exploration and production of iodine and halogen-based specialty chemical derivatives, is pleased to update the market on its 2017 iodine production totals, general progress and iodine production outlook for H1 2018.

Highlights:

- H2 2017 crystalline iodine production was 267.5 Metric Tonnes ("MT"), an increase of 22% (H2 2016: 216.6MT), exceeding upward revised targets
- 2017 total crystalline iodine production was 503MT, an increase of 6% (FY 2016: 474.2MT) despite plant IO#3 being offline for three quarters of 2017 for repurposing
- Iodine prices increased further in H2 2017 to $24/kg (H2 2016: $20/kg), and continue to edge upwards
- New plant IO#7 nearly complete and will significantly increase production
- IO#5 plant being reviewed for potential reconfiguration to improve profitability
- Iofina Chemical continues to trade strongly in both iodine and non-iodine products
- H1 2018 production currently forecast at 300-340MT

During H2 2017, Iofina produced 267.5MT of crystalline iodine from its four operating IOsorb® plants located in the state of Oklahoma USA, a 22% increase from H2 2016. For the year the Group produced 503MT of crystalline iodine, a 28.8MT increase versus 2016 despite operating with one less plant for approximately three quarters of 2017. This output slightly exceeded the upward revised targets published by Iofina in December 2017.

Global Iodine prices in H2 2017 moved higher to approximately $24/kg for large orders. This represents a significant increase as iodine prices in late 2016 were at or below $20/kg. Moving into early 2018, iodine prices have continued to move slightly higher and the Board expects iodine prices to continue to rise this year, as current iodine prices remain below historical levels and some Chilean iodine production has been reduced in 2017. As an iodine producer and iodine derivative manufacturer, the Group is poised to benefit from any increase in the sales price of iodine.

The construction of the new IO#7 plant, which is utilizing much of the assets of IO#3, remains on track to begin production in early February. The construction of IO#7 has progressed on time and within budget and is a testament to the accumulated skill, experience and planning capability that now resides in our construction and operations teams. Once IO#7 is commissioned, the Group's daily iodine run-rate will significantly increase and the overall per unit iodine production costs in 2018 will

be lower than in 2017. The Group's goal of being a lower quartile cost iodine producer remains a key focus throughout 2018.

A new image of the IO#7 construction progress can be viewed on the Company's website www.iofina.com or by clicking the link below:

IO#7 photo / January 2018

As Iofina continues to execute plans to increase production with greater efficiencies at reduced costs, the Company continues to investigate options to upgrade our iodine production portfolio. To that end, Iofina is exploring options for IO#5, which is currently the Group's highest production cost plant. In conjunction with our brine supply partner, we are modelling various scenarios and currently executing field trials to move brine from IO#5 to other IOsorb® plants, potentially increasing production at those plants while reducing our overall production cost. The Group is exploring a new additional brine water source at its IO#5 location or repurposing the plant to another site. We will update the market once we have concluded our field trials and optimised our 2018 plans. These initiatives continue the Group's long-term goal of increasing production, while reducing our net production costs. Other operational improvements at our IOsorb® plants are planned in 2018.

Iofina Chemical performed strongly in H2 2017 as sales of both iodine and non-iodine halogen based compounds achieved consistently good results and outperformed internal H2 2017 projections. Iofina Chemical continues to globally provide high quality products to the Company's longstanding and new customers, and has developed and sold new products within our core competency in 2017.

The Directors believe the Company will produce between 300-340MT of crystalline iodine in H1 2018. Iofina will provide additional guidance on our iodine production, likely in Q2 2018, as operations become more normalized once IO#7 comes on-line and has operated for a period of time.

Commenting, President and CEO Dr. Tom Becker, stated: "*The Board is encouraged by the excellent operational performance achieved in 2017 and the direction in which the Company is heading. We successfully executed efficiency improvements at current facilities, which have resulted in the Group exceeding 2017 production targets.*

"As we enter 2018, we are continuing to strategically expand iodine production by bringing IO#7 into production, a plant which will significantly increase iodine output whilst reducing the Group's overall iodine production cost. Iofina Chemical continues to expertly deliver high quality new and existing, niche products to the global market.

"The outlook for 2018 is positive, and the Group will explore additional scenarios to improve its production costs and increase output. The accomplishments achieved last year by our highly skilled

workforce, coupled with the recent increasing iodine prices, position Iofina for continued growth and success this year and beyond."

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About Iofina:

Iofina specialises in the exploration and production of iodine, halogen based 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 production operations in the United States, specifically in Kentucky and Oklahoma. It is a vertically integrated company, covering the process from the production of iodine in the field, to the manufacture of the chemical end-products derived from iodine, supplying them to the consumer, and the recycling of iodine using iodinated side-streams from waste chemical processes. Iofina utilises its portfolio of patented and patent-pending technology, and proprietary methods and trademarks throughout all business lines.

www.iofina.com