

Phosphate Holdings, Inc.

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For Immediate Release

News Release

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Phosphate Holdings, Inc., Announces that Coley L. Bailey Has Resigned as a Member of the Board of Directors

(MADISON, Miss., November 3, 2008) Phosphate Holdings, Inc. (OTC: PHOS) announced today that Coley L. Bailey has resigned as a member of the Company's Board of Directors effective October 29, 2008. Mr. Bailey had served as a member of the Company's Board of Directors since 2004 and was Chairman of the Board at the time of his resignation. Phosphate Holdings, Inc.'s Board of Directors has elected Rex M. Deloach to succeed Mr. Bailey as Chairman of the Board.

Rex M. Deloach has served as a director of PHI since 2007. Since 2002, Mr. Deloach has served as President and Chief Executive Officer of Financial Insights, Inc., a financial consulting firm. From 1980 to 1997, Mr. Deloach was a partner with the accounting firm Arthur Anderson LLP. Mr. Deloach is a member of the Board of Trustees of three affiliated registered mutual funds: Longleaf Partners Fund, Longleaf International Fund and Longleaf Small Cap Fund, all managed by Southeastern Asset Management, Inc., Memphis, Tennessee.

Robert E. Jones, the Company's Chief Executive Officer said, "Coley Bailey has served us with distinction as a director and Chairman of the Board. We sincerely thank him for his years of service."

Phosphate Holdings, Inc. is a Delaware corporation and the sole stockholder of Mississippi Phosphates Corporation. Mississippi Phosphates Corporation is a Delaware corporation with its executive headquarters in Madison, Mississippi. Mississippi Phosphates Corporation owns and operates manufacturing facilities in Pascagoula, Mississippi, which produce diammonium phosphate, the most common form of phosphate fertilizer used as a source of phosphate on all major row crops.

This release may contain "forward-looking statements" within the meaning of the federal securities law, which are intended to qualify for the safe harbor from liability provided thereunder. All statements which are not historical statements of fact are "forward-looking statements" for purposes of these provisions and are subject to numerous risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements. Future events, risks and uncertainties that could cause a material difference in such results include, but are not limited to, (i) changes in matters which affect the global supply and demand of phosphate fertilizer products, phosphate rock, ammonia, sulfur and sulfuric acid, (ii) a variety of conditions in the agricultural industry such as grain prices, planted acreage, projected grain stocks, U.S. government policies, weather, and changes in agricultural production methods, (iii) changes in capital markets, (iv) possible unscheduled plant outages and other operating difficulties, (v) price competition and capacity expansions and reductions from both domestic and international competitors, (vi) foreign government agricultural policies (in particular, the policies of the governments of India and China), (vii) the relative unpredictability of international and local economic conditions, (viii) the relative value of the U.S. dollar, and (ix) regulations regarding the environment and the sale and transportation of fertilizer products. The company undertakes no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

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