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For Immediate Release

News Release

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Phosphate Holdings, Inc. Announces that Senator C. Trent Lott and W. Thomas Jagodinski have been Elected to its Board of Directors

(MADISON, Miss., May 29, 2009) -- Phosphate Holdings, Inc. (OTC: PHOS), today announced that Senator C. Trent Lott, Sr., and W. Thomas Jagodinski have been elected as members of the Company's Board of Directors effective May 19, 2009. Both are elected for one-year terms.

"Senator Lott and Mr. Jagodinski bring a wealth of management experience and strategic insights to our Board of Directors," said Robert E. Jones, the Company's Chief Executive Officer. "I am confident that their contributions will prove extremely valuable as we move Phosphate Holdings forward."

Senator Lott, 67, has served as a Partner in Breaux Lott Leadership Group, a consulting and lobbying firm, since January 2008. Prior to forming Breaux Lott Leadership Group, Senator Lott served as a Member of the United States Senate from 1989 to 2007. During his term in the Senate, Senator Lott held the leadership positions of Senate Majority Whip (1995 to 1996), Senate Majority Leader (1996 to 2001), Senate Minority Leader (2001 to 2002) and Senate Minority Whip (2007). Prior to his election to the United States Senate, Senator Lott served as a member of the United States House of Representatives from 1973 to 1989 and held the leadership position of House of Representatives Minority Whip from 1981 to 1989.

Senator Lott currently serves as a member of the Board of Directors of EADS North America, which is the North American operations of EADS, the second largest aerospace and defense company in the world. Senator Lott holds a B.S. degree in public administration and a J.D. from the University of Mississippi.

Mr. Jagodinski, 52, has been a private investor since July 2007. Mr. Jagodinski was employed by Delta and Pine Land Company, a cottonseed breeding, producing and marketing company, from 1991 until July 2007, when Monsanto Company acquired Delta and Pine Land Company. During his time at Delta and Pine Land Company, Mr. Jagodinski served as

President, Chief Executive Officer and a member of the Board of Directors from 2002 until July 2007, Senior Vice President, Chief Financial Officer and Treasurer from 2000 to 2002, and as Vice President Finance and Treasurer from 1993 to 2000. Mr. Jagodinski currently serves as a member of the Board of Directors, member of the Governance Committee and Audit Committee Chair of Solutia, Inc., as well as a member of the Board of Directors and Audit Committee Chair of Lindsay Corporation. Mr. Jagodinski holds a B.S. degree in accounting from the University of Mississippi.

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, Miss. Mississippi Phosphates Corporation owns and operates manufacturing facilities in Pascagoula, Miss., which produce diammonium phosphate, the most common form of phosphate fertilizer used as a source of phosphate on all major row crops.

Forward-looking Statements

This letter contains "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 the availability and cost of phosphate rock and our other primary raw materials, (iv) changes in capital markets, (v) possible unscheduled plant outages and other operating difficulties, (vi) price competition and capacity expansions and reductions from both domestic and international competitors, (vii) foreign government agricultural policies (in particular, the policies of the governments of India and China), (viii) the relative unpredictability of international and local economic conditions, (ix) the relative value of the U.S. dollar, (x) regulations regarding the environment and the sale and transportation of fertilizer products, and (xi) impact of future storms. 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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