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**For Immediate Release**

## **News Release**

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### **Mississippi Phosphates Corporation Announces Contract Extension**

*PASCAGOULA, Miss. (July 10, 2012)* Mississippi Phosphates Corporation (MPC), a wholly owned subsidiary of Phosphate Holdings, Inc. (OTC: PHOS), today announced that it and OCP S.A. (OCP) have agreed to extend the term of their Agreement for the Purchase and Sale of Phosphate Rock dated August 27, 2009, through December 31, 2012. The Agreement was scheduled to expire on June 30, 2012. During the six-month extension, MPC intends to enter into discussions with OCP relating to the terms and conditions of a potential longer-term arrangement for the supply of phosphate rock to Mississippi Phosphates' Pascagoula, Mississippi plant.

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 ([www.missphosphates.com](http://www.missphosphates.com)).

### **Forward-looking Statements**

This release 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) the concentration of our sales with one large customer, (viii) foreign government agricultural policies (in particular, the policies of the governments of India and China), (ix) the relative unpredictability of international and local economic conditions, (x) international trade risks, (xi) political unrest in Northern Africa and possible implications on phosphate rock availability (xii) the relative value of the U.S. dollar, (xiii) regulations regarding the environment and the sale and transportation of fertilizer products, (xiv) our potential inability to obtain or maintain required permits and governmental approvals or to meet financial assurance requirements, (xv) loss of key members of management, and (xvi) 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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