



## **LSB Industries, Inc. Announces the Start of Production at Its El Dorado, Arkansas Facility's Ammonia Plant; Full Production Level to Be Attained by Third Quarter 2016**

May 17, 2016

OKLAHOMA CITY--(BUSINESS WIRE)--May 17, 2016-- LSB Industries, Inc. (NYSE:LXU) ("LSB or the Company") today announced that its new 375,000 ton ammonia plant at its El Dorado, Arkansas facility ("El Dorado") is operational and ammonia production is now underway. The Company expects to be selling ammonia into the pipeline by the end of May. The plant will gradually ramp production volume over the next two months and is expected to reach full capacity by the beginning of the third quarter of 2016.

As previously stated, LSB expects the total cost of the project to be approximately \$830 million, which is at the low end of its previously articulated range of \$831 million to \$855 million. This includes the ammonia plant and the construction of a new nitric acid plant and concentrator that were completed in 2015.

"We are pleased to have achieved this critical milestone with the start-up of the new ammonia plant at our El Dorado Facility," stated Daniel Greenwell, LSB's Chief Executive Officer. "We believe that the ammonia plant will significantly enhance the financial performance of the El Dorado Facility and have a materially positive impact on LSB's overall performance. We look forward to sharing these results with our shareholders in the upcoming quarters."

### **About LSB Industries, Inc.**

LSB is a manufacturing company. LSB's principal business activities consist of the manufacture and sale of chemical products for the agricultural, mining, and industrial markets, and the manufacture and sale of commercial and residential climate control products, such as water source and geothermal heat pumps, hydronic fan coils, modular chillers, large custom air handlers and make-up air units.

### **Forward Looking Statement**

*This press release includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally are identified by use of the words "will", "believes", "expects", "estimates", "intends", "anticipates", "plans to", "should", "estimates", "projects", or similar expressions, our expectation that the announced sale of the climate control group closes in a timely fashion, our belief that we have accurately revised the cost projections for the El Dorado project and the various factors described in the "Special Note Regarding Forward-Looking Statements," and the "Risk Factors" contained in our 10-K for the year ended December 31, 2015, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. These forward looking statements speak only as of the date of this press release, and LSB expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in LSB's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.*

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