



LSB Industries, Inc. Announces Landmark 5-Year Agreement to Supply Low Carbon Ammonium Nitrate Solution

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OKLAHOMA CITY--(BUSINESS WIRE)--May 22, 2024-- LSB Industries, Inc. ("LSB" or "the Company"), (NYSE: LXU) today announced that it has entered into a landmark agreement to supply up to 150,000 short tons per annum of low carbon ammonium nitrate solution ("ANS") to Freeport Minerals Corporation ("Freeport"). LSB will supply the ANS from its El Dorado, Arkansas facility ("El Dorado") for 5 years commencing January 1, 2025, with a phasing in of the low carbon contracted volume.

LSB's low carbon product offering stems from the carbon capture and sequestration project that it currently has underway with its partner, Lapis Energy, who will capture and permanently sequester more than 450,000 metric tons of CO₂ produced annually from El Dorado's ammonia production. The carbon sequestration is expected to result in more than 375,000 tons of low carbon ammonia that LSB can sell or upgrade and sell to customers in the form of other low carbon nitrogen products, such as ANS. The project is expected to commence operations in 2026 pending approval by the Environmental Protection Agency (EPA) of LSB and Lapis' Class VI permit application, which the companies expect to receive in the second half of 2025.

"This important agreement validates our belief that our industrial and mining customers will identify the low carbon nitrogen products that we plan to produce as an important part of their decarbonization journeys and value them accordingly," said Mark Behrman, LSB's President and CEO. "We view this contract with Freeport as a major step towards attaining our vision of becoming a leader in the global energy transition and look forward to partnering with them as a strategic supplier as they advance toward their net zero aspiration."

Freeport intends to use the low carbon ANS purchased from LSB for its United States copper mining operations.

About LSB Industries, Inc.

LSB Industries, Inc., headquartered in Oklahoma City, Oklahoma, is committed to playing a leadership role in the energy transition through the production of low and no carbon products that build, feed and power the world. The LSB team is dedicated to building a culture of excellence in customer experiences as we currently deliver essential products across the agricultural, industrial, and mining end markets and, in the future, the energy markets. The company manufactures ammonia and ammonia-related products at facilities in Cherokee, Alabama, El Dorado, Arkansas and Pryor, Oklahoma and operates a facility for a global chemical company in Baytown, Texas. Additional information about LSB can be found on our website at www.lsbindustries.com.

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