
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): July 31, 2013

LSB INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-7677
(Commission File
Number)

73-1015226
(IRS Employer
Identification No.)

16 South Pennsylvania Avenue, Oklahoma City, Oklahoma
(Address of principal executive offices)

73107
(Zip Code)

Registrant's telephone number, including area code (405) 235-4546

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-
-

Section 1 – Registrant’s Business and Operations

Item 1.01. Entry into a Material Definitive Agreement.

Purchase Agreement for 7.75% Senior Secured Notes Due 2019

On July 31, 2013, LSB Industries, Inc. (the “Company”) and its direct and indirect subsidiaries as guarantors entered into a purchase agreement (the “Purchase Agreement”) relating to the sale by the Company of \$425.0 million aggregate principal amount of the Company’s 7.75% Senior Secured Notes due 2019 (the “Notes”). The Purchase Agent provides that the Notes will be sold at par. The sale of the Notes to the Initial Purchasers pursuant to the Purchase Agreement is expected to close on August 7, 2013. The Purchase Agreement contains customary warranties, covenants and closing conditions.

The Company’s obligations under the Notes will be, jointly and severally, fully and unconditionally guaranteed (the “Guarantees”), by each of the Company’s current and future domestic restricted subsidiaries (collectively, the “Guarantors,” and together with the Company, the “Issuers”). The Notes and certain Guarantees will be secured, subject to certain exceptions and permitted liens, (a) on a first-priority basis by a substantial portion of the Company’s and certain Guarantors’ assets (other than the assets securing the Company’s Working Capital Revolver (defined below), and (b) on a second-priority basis by certain of the Company’s and certain Guarantors’ assets that secure the Working Capital Revolver on a first-priority basis, including accounts receivable, inventories and certain other related asset proceeds thereof.

The net proceeds from the Notes offering are expected to be approximately \$418.0 million, after deducting the estimated expenses of the Notes offering. The Company intends to use the net proceeds from the Notes offering to (a) repay the \$67.2 million unpaid principal balance and the prepayment penalty under its existing term loan facility, plus all accrued and unpaid interest due thereon and (b) for general corporate purposes, which the Company expects to include, among other things, the construction of an ammonia plant, nitric acid plant and concentrator at its chemical facility located in El Dorado, Arkansas; improvement of reliability, mechanical integrity, and safety at all of its chemical facilities; and development of its acquired natural gas leaseholds during the next three years. Pending application of proceeds in accordance with clause (b), the net proceeds will be invested in investments with highly rated money market funds, U.S. government securities, treasury bills, and/or short-term commercial paper.

The Notes will be offered and sold pursuant to an exemption from the registration requirements under the Securities Act of 1933, as amended (the “Securities Act”). The Notes may be resold in private sales exempt from registration under the Securities Act (a) inside the United States to “qualified institutional buyers” as defined in Rule 144A under the Securities Act (“Rule 144A”), in accordance with Rule 144A and (b) to other eligible purchasers pursuant to offers and sales that occur outside the United States within the meaning of Regulation S under the Securities Act (“Regulation S”) in accordance with Regulation S. The Notes have not been registered under the Securities Act or applicable state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state laws.

The foregoing is qualified by reference to the press release that is attached as Exhibit 99.1 to this Current Report on Form 8-K, which is incorporated herein by reference. The information contained in this Current Report on Form 8-K, including the exhibits hereto, is neither an offer to sell nor a solicitation of an offer to purchase any of the securities to be offered.

Amendment to Working Capital Revolver

On July 31, 2013, the Company, ThermaClime L.L.C., a wholly owned subsidiary of the Company (“ThermaClime”), certain subsidiaries of ThermaClime, and Consolidated Industries Corp., a subsidiary of the Company (“Consolidated Industries”), entered into the Eighth Amendment to the Amended and Restated Loan and Security Agreement (the “Eighth Amendment”), with the lenders identified on the signature pages thereof (collectively the “Lenders”) and Wells Fargo Capital Finance, Inc. (“Wells Fargo”), as the arranger and administrative agent for the Lenders, which amends ThermaClime’s existing \$50 million working capital revolver under the Amended and Restated Loan and Security Agreement, dated November 5, 2007, as previously amended (the “Working Capital Revolver”). The Eighth Amendment replaces and supersedes in all respects the Eighth Amendment to the Amended and Restated Loan Agreement, dated July 3, 2013, which, in accordance with its terms, did not become effective. The Eighth Amendment will be effective upon the closing of the sale of the Notes pursuant to the terms of the Purchase Agreement and payment in full of all amounts owing under the Company’s existing term loan facility. If the Eighth Amendment becomes effective, among other things, (a) the maximum revolver amount will be increased to \$100 million, subject to the amount of available collateral, (b) the maturity date will be extended to April 13, 2018, and (c) the Lenders will be entitled to a second priority lien on the assets securing the Notes, to the extent such liens are on assets currently constituting collateral under the Working Capital Revolver.

Ammonia Plant

We are negotiating an Engineering, Procurement, and Construction Agreement with SAIC Constructors, LLC, a subsidiary of Science Applications International Corporation, to engineer and construct an ammonia plant and certain support facilities at our facility located in El Dorado, Arkansas. We expect SAIC Constructor, LLC’s fees in connection with this agreement to be approximately \$22.0 million.

Section 2 – Financial Information

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information included in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.03 of this Current Report on Form 8-K.

Section 8 – Other Events

Item 8.01. Other Events.

On July 31, 2013, the Company issued a press release announcing that it had priced the Notes offering disclosed in Item 1.01 and Item 2.03 hereof. A copy of this press release is filed as Exhibit 99.1 to this Current Report on Form 8-K, and is incorporated herein by reference. The announcement of the pricing of the Notes offering set forth in Exhibit 99.1 and incorporated herein by reference shall not constitute an offer to sell, or the solicitation of an offer to buy, the Notes.

Section 9 - Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

The information contained in the accompanying Exhibits 99.1 shall not be deemed filed for purposes of Section 18 of the Exchange Act or incorporated by reference in any filing under the Exchange Act or the Securities Act, except as shall be expressly set forth by specific reference to such Exhibit 99.1 in such filing.

(d) Exhibits.

99.1 Press Release dated July 31, 2013.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: August 6, 2013

LSB INDUSTRIES, INC.

By: /s/ Tony M. Shelby

Tony M. Shelby,

Executive Vice President of Finance, Chief Financial Officer



COMPANY CONTACT:

Tony M. Shelby, Chief Financial Officer
(405) 235-4546

INVESTOR RELATIONS CONTACT:

Fred Buonocore, CFA (212) 836-9607
Linda Latman (212) 836-9609
The Equity Group Inc.

FOR IMMEDIATE RELEASE**LSB INDUSTRIES, INC. ANNOUNCES PRICING OF ITS
\$425 MILLION OFFERING OF SENIOR SECURED NOTES**

Oklahoma City, Oklahoma July 31, 2013 – LSB Industries, Inc. (“LSB”) (NYSE: LXU) announced today that it priced its previously announced bond offering. At pricing, LSB’s offering consisted of \$425 million aggregate principal amount of senior secured notes due 2019 (the “Notes”).

The Notes will bear an annual rate of interest of 7 3/4% and will mature on August 1, 2019. The Notes will be issued at a price equal to 100% of their face value. The Notes will be guaranteed by all of LSB’s direct and indirect subsidiaries. The Notes and certain of the guarantees will be secured, subject to certain exceptions and permitted liens, (a) on a first-priority basis by a substantial portion of LSB’s and the guarantors’ assets (other than the assets securing LSB’s senior credit facility), and (b) on a second-priority basis by certain of LSB’s and the guarantors’ assets that secure LSB’s senior credit facility on a first-priority basis, including accounts receivable, inventories and certain other related asset proceeds thereof. The closing of this private offering is expected to occur on August 7, 2013, subject to customary closing conditions.

LSB intends to use the net proceeds from the offering of the Notes to (a) repay the \$67.2 million unpaid principal balance and the prepayment penalty under its existing term loan facility, plus all accrued and unpaid interest due thereon and (b) for general corporate purposes, which LSB expects to include, among other things, the construction of an ammonia plant, nitric acid plant and concentrator at its chemical facility in El Dorado, Arkansas; improvement of reliability, mechanical integrity, and safety at all of its chemical facilities; and development of its acquired natural gas leaseholds during the next three years. Pending application of proceeds in accordance with clause (b), the net proceeds will be invested in investments with highly rated money market funds, U.S. government securities, treasury bills, and/or short-term commercial paper.

The Notes will not be registered under the Securities Act of 1933, as amended (the “Securities Act”), or any state securities law and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the Securities Act and applicable state securities laws. The Notes were offered in the United States only to qualified institutional buyers under Rule 144A of the Securities Act and outside the United States under Regulation S of the Securities Act.

This press release shall not constitute an offer or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to the closing of the Notes offering, the anticipated issuance of the Notes by LSB and other statements that are not historical fact. Although we believe the assumptions upon which these forward-looking statements are based on, these assumptions could be incorrect. Actual results and trends in the future may differ materially from those suggested or implied by the forward-looking statements depending on a variety of factors. Some of these factors include market conditions, customary closing conditions of Rule 144A note offerings and such other risk factors as may be discussed in LSB's filings with the Securities and Exchange Commission. We undertake no obligation to update any information contained in this press release.