

Arabian American Provides Business Update

AMAK Mine Facility Officially Commences Operations

Petrochemical Subsidiary Begins Shipping Commercial Quantities on Previously Announced Contract

SUGAR LAND, Texas, Dec. 1, 2011 /PRNewswire/ -- Arabian American Development Co. (Nasdaq: ARSD) today provided a business update on several aspects of its operations. This update announced:

- The AMAK (Al Masane Al Kobra Mining Company) mine in Saudi Arabia, which is 37% owned by Arabian American, has officially been transferred to the surface facility operator, China National Geological & Mining Corporation. Operations began on November 28, 2011, after successful completion of the construction phase of the mine.
- The Petrochemical subsidiary, South Hampton Resources, began shipping commercial quantities on a previously announced contract that will add approximately \$24 million in annual revenue at current prices.

Nick Carter, President and Chief Executive Officer, commented, "The transfer of the mine happened smoothly, and all indications are that it is working well. It is exciting to see the entire mining package come together on what is essentially a brand new, startup venture. We hope that interested investors and shareholders will join us for the upcoming mine tour that we have scheduled for February 13-16, 2012, in Saudi Arabia."

Mr. Carter concluded, "We continue to diversify our customer base in the petrochemical business and capitalize on market opportunities as reflected by the shipment of commercial quantities of a specialty hydrocarbon blend. These shipments represent performance on a contract which is in the final three years of a previously announced five-year term. During the first two years of the contract, we shipped test quantities to the customer's facility. Beginning in November we started shipping commercial quantities. This volume represents approximately 16% of the throughput capacity of our specialty petrochemical facility."

About Arabian American Development Company (ARSD)

ARSD owns and operates a petrochemical facility located in southeast Texas just north of Beaumont which specializes in high purity petrochemical solvents and other solvent type manufacturing. The Company is also the original developer and now a 37% owner of AMAK, a Saudi Arabian joint stock company.

Safe Harbor

Statements in this release that are not historical facts are forward looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward looking statements are based upon management's belief as well as assumptions made by and information currently available to management. Because such statements are based upon expectations as to future economic performance and are not statements of fact, actual results may differ from those projected. These risks, as well as others, are discussed in greater detail in Arabian American's filings with the Securities and Exchange Commission, including Arabian American's Annual Report on Form 10-K for the year ended December 31, 2010, and the Company's subsequent Quarterly Reports on Form 10-Q.

Company Contact: Nick Carter, President and Chief Executive Officer
(409) 385-8300
ncarter@southhamptonr.com

Investor Contact: Cameron Donahue
Hayden IR
(651) 653-1854
Cameron@haydenir.com

