

Arabian American Announces Audit Committee Realignment

DALLAS, April 8, 2011 /PRNewswire/ -- Arabian American Development Co. (Nasdaq: ARSD) today announced that it realigned the audit committee of the board of directors to regain compliance with the Listing Rules of the Nasdaq Stock Market.

On April 4, 2011, the Company had a telephone conversation with Nasdaq to discuss Nasdaq's audit committee eligibility requirements as applicable to Ghazi Sultan, a member of the Company's board of directors and audit committee. Specifically, on October 27, 2010, Mr. Sultan entered into an agreement to serve as the Company's Saudi branch representative. The Company determined that he no longer satisfied the independence requirement under Rule 10A-3(b)(1) of the Securities Exchange Act of 1934. As a result of the determination that Mr. Sultan was no longer eligible to serve on the audit committee pursuant to Listing Rule 5605(c)(2)(A)(ii) (the "Rule"), Mr. Sultan promptly resigned from the audit committee effective April 4, 2011. Following Mr. Sultan's resignation from the audit committee, the Company regained compliance with the Rule and subject to this issuance, Nasdaq closed the matter pursuant to its letter dated April 6, 2011.

The Company previously appointed John R. (Dick) Townsend to serve on the audit committee which maintains the requirement of three members. Mr. Townsend recently joined the board of directors effective February 24, 2011 and has over 33 years of experience in the petrochemicals industry including over 20 years experience as a plant manager in olefins, aromatics, paraxylene, polystyrene, synthetic lubricants and catalyst plants.

The audit committee now consists of Dick Townsend (Chair), Mohammed Al Omair and Allen McKee. The Board has also determined that Mr. McKee meets the Securities and Exchange Commission criteria of an audit committee financial expert.

Nick Carter, President and Chief Executive Officer, commented, "The Company has made the recent changes to the board and subsequent changes to the audit committee to maintain compliance with Nasdaq Listing Rules and to maximize the strengths, value and expertise of each member. Mr. Sultan's value to the Company serving as the Saudi branch representative is significant as it enables him to monitor our investment in Al Masane Al Kobra Mining Company, to keep the US contingent fully informed, and to keep our presence in the country compliant with Saudi laws and regulations. The diverse skills and industry experience of our board will serve the Company and its shareholders well and show a commitment to good governance."

About Arabian American Development Company (ARSD)

ARSD owns and operates a petrochemical facility located in southeastTexas 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 41% investor in a

Saudi Arabian joint stock company involving a mining project which is currently under construction in the Najran Province area of southwest Saudi Arabia. The mine is scheduled to be in production in 2011 and will produce economic quantities of zinc, copper, gold, and silver.

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.

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