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Arabian American Development Announces New Contract With LyondellBasell Industries

Contract Valued at \$11 - \$15 Million per Year for Multi-Year Contract

DALLAS, Aug. 26 /PRNewswire-FirstCall/ -- Arabian American Development Co. (Nasdaq: ARSD) today announced that its subsidiary, South Hampton Resources, Inc., has signed a new contract with LyondellBasell Industries (LBI), an existing customer, which is estimated at \$11 to \$15 million per year over the term of the contract running from August 1, 2009 through April 30, 2012 with continuation year to year thereafter. Estimated annual volume of the contract is approximately four million gallons total of normal hexane, isohexane and isopentane. This will provide LBI a minimum of 80% of their needs for these products which are used in the production of polyethylene. The additional volume represents an increase of approximately 40% from the previous contract.

Mark Williamson, Vice President of Marketing, South Hampton Resources, commented, "We appreciate LBI's confidence in our competitive pricing, superior product quality and our fast and flexible customer service and are grateful that they chose to increase product volumes with us that they were previously receiving elsewhere. We are continuously looking for opportunities to leverage our market leadership and are committed to providing enhanced product benefits to LBI and all of our valued customers."

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 hydrocarbons and other hydrocarbon type manufacturing. The Company is also the original developer and an equity investor in a Saudi Arabian joint stock company involving a mining project in the Al-Masane area of Saudi Arabia which is currently under construction. The mine is scheduled to be in production in late 2010 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, 2008 and the

Company's subsequent Quarterly Reports on Form 10-Q.

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