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# **Arabian American Announces Al Masane Al Kobra Mining Company Receives Additional Funding from Saudi Industrial Development Fund**

SUGAR LAND, Texas, Jan. 8, 2014 /PRNewswire/ -- Arabian American Development Co. (NYSE: [ARSD](#)), a leading provider of high purity specialty chemicals and 35% owner of Al Masane Al Kobra Mining Company ("AMAK"), announced that AMAK received additional funds from the Saudi Industrial Development Fund ("SIDF") under the original loan agreement dated September 1, 2010. The sum of 138,000,000 Saudi Riyals (US\$38 million) was received by AMAK on December 30, 2013. This is the second disbursement on the SIDF loan, increasing the total amount loaned to 279,808,000 Saudi Riyals (US\$74.5 million).

"We are very pleased to receive the second tranche of the loan which we view as a sound vote of confidence from the SIDF. The SIDF has performed extensive due diligence on the mine, and their advancement of the loan funding is confirmation of the viability of the AMAK operation. These SIDF funds, along with funds from the sale of copper ore housed in the warehouse, were received before year end," stated Nick Carter CEO of Arabian American Development Co. "The SIDF paid off the Minister of Finance Note for \$11 million which originated from Arabian American's balance sheet and dated back to 1979. As a result, these transactions significantly improve AMAK's balance sheet and are important steps in keeping AMAK moving in the right direction in 2014."

The first draw on the loan was funded in the first quarter of 2011. Funds remain available under the loan agreement; however, AMAK does not foresee the need for additional working capital. AMAK has requested that the commencement of the repayment schedule be deferred one year to February 14, 2015, due to the length of time entailed to receive the second loan disbursement. As previously disclosed by the Company, dividend payments from the mine cannot begin until scheduled loan repayments have been initiated and cannot exceed the amount of loan repayment in any one year.

## **About Arabian American Development**

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 a 35% owner of Al Masane Al Kobra Mining Co., a Saudi Arabian joint stock company. For more information about Arabian American Development, visit [arabianamericandev.com](http://arabianamericandev.com).

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